

## COUNTY RECORDER



# THE RECORDER

JULY 2013

PUBLISHED BY J. BONNIE REHDER

VOLUME 17, NUMBER 2

### Contents:

Same Sex Marriage  
RRV PREP Workshop  
Iris  
Annotation Change  
Add 3<sup>rd</sup> Party Names  
Updated MRT1 & DT1  
New Green Sheet  
Tax Statements

### The Recorder

**J. Bonnie Rehder**  
Clay County Recorder  
Registrar of Titles  
Vital Records

P.O. Box 280  
807 N. 11<sup>th</sup> St.  
Moorhead, MN 56560

P: (218) 299-5031  
F: (866) 908-2452  
e-mail:  
[bonnie.rehder@co.clay.mn.us](mailto:bonnie.rehder@co.clay.mn.us)

### **DiAnn Streifel**

Chief Deputy  
Deputy Registrar  
of Titles

Deputies:

**Lisa Kunze**

**Kimberly Savageau**

**Denise Jacobs**



## Minnesota Becomes 12th State to Legalize Same-Sex Marriage

Perhaps one of the biggest societal changes in Minnesota history became law in the final 10 days of session when both bodies passed, and Governor Dayton signed, legislation making Minnesota the 12th state to legalize marriage between people of the same gender. The legislation came relatively quickly on the heels of a proposed constitutional amendment, voted down in November. The amendment would have declared marriage as solely between one man and one woman.

Massachusetts became the first state to legalize and recognize same-sex marriage in 2003. Since then Maine, New Hampshire, Vermont, New York, Rhode Island, Connecticut, Maryland, Delaware, Iowa, Washington and the District of Columbia have followed suit.

The Minnesota Civil Marriage License application process is a "civil" process and it is up to the couple to choose if they want to have a civil ceremony or a religious ceremony.

A marriage license is valid for six months and requires a 5 day waiting period from the date of application. **Same sex couples can start to apply for marriage licenses July 17, 2013**, at the Clay County Recorder's Office. Licenses cannot be used until August 1, 2013. Accepting applications early will provide time for the five-day waiting period so couples can get married August 1, 2013.

The Clay County Courthouse will open from 11:30 p.m. on July 31 to 1:00 a.m. on August 1 as a service to allow couples that want the opportunity to be some of the first in the state to marry under the new law. Judges Lisa N. Borgen and Michelle W. Lawson will preside at a **group ceremony to be commenced just past midnight**. All couples with a valid Minnesota marriage license and acceptable photo identification are welcome to participate in this ceremony free of charge. Please call Clay County Court Administration at 218-299-5065 before 4:30 p.m. on July 30 if you wish to participate so that all may be accommodated. Cameras will be allowed in the courthouse but **no** phones or video cameras.

Same Sex Marriage legislation also has an effect on real estate documents. You'll want to discuss what gender neutral terminology you need to use when stating marital status.

**Nationwide Facts:**

**June 30<sup>th</sup> is the biggest closing day of the year.**

**36% of properties have title issues.**

**The national foreclosure inventory is at its lowest point in four years.**

**MN Facts:**

**2013:**

**-1862 bills introduced to the House.**

**-1682 bills introduced to the Senate.**

**-144 bills signed by the governor.**

**-It is against the law to pull out surveyor monuments. (ND too)**

**-MN is a Low water state which means property rights extend to the waters edge. (ND is a high water state when determining boundaries.)**

**Clay County Facts:**

**Clay County e-recorded 31% of our documents in May 2013.**

**Clay County Recorder also wears the Local Vital Statistics Registrar hat. The 2013 legislative session changed the name to Local Vital Record Issuance Office.**

# RRV PREP

## Red River Valley Property Records Education Partners

May 16, 2013, RRV PREP sponsored a “hands on” interactive Land Description Interpretation Workshop with David Landecker as the presenter. David Landecker is a licensed surveyor in MN and ND and currently is the manager of Ulteig Engineering survey teams. The training was an all-day event at the Fargo Holiday Inn with 80 attendees. The evaluations were very good. Land Surveyors prefer the terminology “Land Description” until it is embedded in a legal document and recorded, then it technically becomes a “legal description”. A big **“THANK YOU”** to **David Landecker and Ulteig** so RRV PREP could provide this training opportunity.



## Iris – What?

“Iris” is a new product from Fidlar Technology we are implementing 7/1/2013. Iris will make searching the Recorder Office records more efficient. Iris provides for an alias, nick names and other variations of names to be searched all at the same time. For example you are searching an owner named Robert Olson. We are creating a list so when Robert is searched you will also see a list for Bob, Rob, Bobby, Robby, Olson, Olsen and any other variation you would like included. Another example is Wal-Mart, Walmart, Wal Mart. You can request to have names added as a nick name or an alias (first name, last name or business name).

## Annotation Change

Recorders are not required by Minnesota Statute to write/annotate legal descriptions and PINs on documents such as Satisfactions and Assignments. Yet, this practice has been in place for many years for many counties. July 1, 2013, Clay County is going to discontinue this practice. All these docs are associated to another document so they can be found through association when searching by legal description or PIN. For example a mortgage would show in the results and you’d look at the associated documents like you do now to find any Satisfactions, Assignments, etc. This is common practice for metro counties. On a side note, if a document such as a Satisfaction includes a legal description we will tract and notate a PIN.



## eCRVs

*Some title company closers are taking their tablet/iPad into closings to complete the eCRV while clients are in person.*

*An eCRV upgrade coming soon will allow for attachments.*

*The upgrade will also provide an email if an eCRV is "unaccepted" and give a reason for unaccepting.*

*45 counties are full use and 80% is expected by the end of 2013.*

*The eCRV web pages provide step by step screen shots for submitters. These screen shots are updated each time an upgrade is made.*



## Add 3<sup>rd</sup> Party Names

We now index 3<sup>rd</sup> party grantor/grantee names. We are going to include mortgagor names on foreclosure related documents like Foreclosure, Pendency to Foreclose, Power of Attorney to Foreclose, Pendency & POA to Foreclose, foreclosure documents in general. Foreclosure docs don't always include individual mortgagor names but if the document includes the names we will enter them to help those who are searching.

## Updated Department of Revenue Forms

Bill Lonergan from the Minnesota Department of Revenue attended the Minnesota County Recorder's Association Institute June 12, 2013. New forms to determine Mortgage Registry Tax (MRT1) and State Deed Tax (DT1) were handed out and are attached to this newsletter. Statute numbers are included on the forms. The MRT1 form is used with a mortgage to determine if Mortgage Registry Tax is due and if tax is due, how much. The DT1 form is used with a deed to determine if State Deed Tax is due and if tax is due, how much.

## New GREEN Sheet

When the Recorder's Office returns paper real estate documents that don't meet our recording requirements we send a report on green paper to explain the situation. We use "Green" paper as a signal to say "this is a friendly communication." We are in the business to record, not reject. We want to record and avoid rejecting documents whenever possible. The Recorder's Office is a service provider.

Recently we started to use a new format when we do need to reject documents. Hope you haven't received one yet.

## TAX STATEMENT TO:

When filling out the information on where to send the tax statement on a deed or other transfer type documents please make sure the address is the correct for mailing purposes. Many times when the Clay County Auditor/Treasurer sends out duplicate tax statements they discover there is no mail receptacle. The property might be new construction or the tax payer is a landlord purchasing rental property and does not live there. Also please note, there are very few properties in Hawley that have mail delivered to an address. About 90% are Post Office boxes so the address of the property is not sufficient for mail delivery.



# Deed Tax

Form DT1 may be used to document your claim for an exempt or minimum tax transfer. Note: In the absence of a qualifying reason, deed tax must be based on at least the fair market value of the property being conveyed (M.S. 287.20, subd. 2). The "full" deed tax rate is .0033.

Deed tax	Name of grantor	Enter reason code (see below)
	Name of grantee	
	Property ID number	
		Deed tax amount
		Minimum tax = \$1.65

Sign here	<b>Grantor, grantee or representative, sign below</b>		
	<i>I declare that the information on this certificate is correct and complete to the best of my knowledge and belief. I understand that there are penalties for underpayment of tax (M.S. 287.31 and M.S. 287.325).</i>		
	Signature of grantor/grantee or authorized agent	Title	Date
	Print name	E-mail address (optional)	Daytime phone
	Address	City	State      Zip code

If you have questions, call 651-556-4721. TTY: Call 711 for Minnesota Relay. Fax: 651-297-1939.

## Reason codes

### Exempt transfers

- 1 Transfer of real property by court order. The change in ownership must result from the order itself.
- 2 Transfer of real property through certificate of sale issued to the purchaser in a mortgage or lien foreclosure sale.
- 3 Transfer of real property through a certificate of redemption issued to the redeeming mortgagor, their heir, devisee or representative.
- 4 Deed to or from the federal government.
- 5 Deed conveying real property located within the historic boundaries of a federally recognized American Indian tribe if the grantor or grantee is the tribal government or member of a tribe.
- 6 Deed between the parties to a marriage dissolution pursuant to the terms of the dissolution decree.
- 7 Deed conveying a cemetery lot or lots.
- 8 Deed by a personal representative distributing the decedent's property according to the terms of the will or probate court order.
- 9 Transfer on death deed defined under M.S. 507.071.
- 10 Deed between co-owners partitioning their undivided interest in the same piece of property.
- 11 Deed to a builder for the purpose of obtaining financing to build an improvement for the grantor. Upon completion the real property is reconveyed to the land owner.

- 12 Transfer pursuant to a permanent school fund land exchange under M.S. 92.121 and related laws.
- 13 Deed or other instrument that grants, creates, modifies or terminates an easement.
- 14 Deed transferring real property pursuant to a Ch. 11 or Ch. 12 plan of reorganization.
- 15 Deed resulting from a business conversion as listed in M.S. 287.21.

### Minimum tax transfers

- Designated transfers (codes 16 through 20).
- 16 Deed between a sole owner and entity owned directly or indirectly by that sole owner, or between two entities owned directly or indirectly by the sole owner.
  - 17 Deed between a husband and wife and an entity owned directly or indirectly by the couple, or between two entities owned directly or indirectly by the couple.
  - 18 Deed between co-owners and an entity owned directly or indirectly by the co-owners, or between two entities owned directly or indirectly by the co-owners.
  - 19 Deed between a grantor and a revocable trust created by that grantor.
  - 20 Deed transferring substantially all assets of a corporation pursuant to a reorganization under IRC section 368(a).
  - 21 Deed transferring substantially all assets of a partnership pursuant to a continuation under IRC section 708.

**Ownership change provision:** Any ownership change in the grantee/transferee entity within six months after a designated transfer triggers a **retroactive deed tax**.

- 22 Deed of real property resulting from the consolidation or merger of two or more corporations, limited liability companies, or partnerships, or any combination of such entities.
- 23 Deed gifting real property.
- 24 Deed given in lieu of foreclosure. Deed includes non-merger language and the FMV of the property minus the mortgage lien is \$500 or less.
- 25 Deed correcting error for less than \$500 of consideration (corrective deed).
- 26 Deed from an intermediary as part of an IRC section 1031 exchange. The intermediary's total document fee for the transfer is \$500 or less. A "full" deed tax was paid on the FMV of the real property when the transfer was made to the intermediary.
- 27 Deed written between a principal and agent, and the agent's total compensation for the entire transaction, monetary or otherwise, is less than \$500.
- 28 If above codes do not apply, use Code 28 and explain below or attach a separate sheet.

---



---



---



---



---