

NEW Title and Escrow Related Laws 2016

- PROBATE AVOIDANCE -

Transfer on Death Deed with Named Beneficiary. AB 139.

This law creates the revocable transfer on death deed (RTDD) which automatically transfers ownership of the property - defined to include 1-4 residential units, a condominium, or agricultural land of 40 acres or less upon the death of the owner.

The effect of the TODD is to pass the property directly to the beneficiary (named grantee) without probate upon the death of the owner. Its main purpose is to provide an affordable alternative to traditional estate planning. The TODD does not affect any ownership rights during the lifetime of the transferor and does not convey any immediate rights to the transferee beneficiary.

- CONSUMER PROTECTION -

Information Security Breach Notification. SB 570.

This law requires that notification for a computer security breach be titled "Notice of Data Breach." It prescribes a model form for a business to disclose a breach of computer security where unencrypted personal information was compromised.

- TAX -

Fire Prevention Fee. AB 301.

This law allows a seller of real property and a buyer to negotiate and apportion the payment of the fire prevent fee as a term of sale.

- TAX -

Exemption from Additional Recording Fee. AB 661.

This law clarifies an exemption from a \$10 additional recording fee that counties may impose. The fee is used to help investigate and prosecute real estate fraud crimes.

- TAX -

Private Transfer Fees. AB 870.

Expands the current Private Transfer Fee (PFT) recordation requirement to include PFT's whose payment does not occur upon a change of ownership or that are not based on sales price. C.A.R. sponsored legislation.

For additional information please contact your Cypress Title Account Executive.



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