



Illinois Department of Revenue

Office of Local Government Services
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MEMORANDUM

To: County Recorders

From: David Fangmeier, Supervisor
Sales Ratio and Audit Section
Property Tax Division
Office of Local Government Services

Date: December 2, 2011

Re: Public Act 097-0555 (HB 1153)

This memo is being sent to inform everyone of the enactment of Public Act 097-0555 (HB 1153) which goes into effect January 1, 2012.

This legislation allows a property owner to, in essence, transfer property to a beneficiary by way of a new instrument called a "Transfer on Death Instrument". This document is recorded before the death of the current owner but the actual transfer of property does not take place until after the death of the owner. Since no actual transfer is taking place at the time of the recording of this instrument, no transfer tax is due. Also as indicated in this legislation, this recording can be revoked.

At the time of actual death, a 'Notice of Death Affidavit and Acceptance of Transfer on Death Instrument' must be filed with the County. The agreement made between the original owner and the beneficiary will determine whether or not a PTAX-203 is required to be filed at the time of this recording. If any consideration is to change hands and there are no exemptions pertaining to the transfer, then a PTAX-203 is required. This new legislation also points out that consideration is not required; therefore, if there is no consideration then no PTAX-203 is required to be filed.

The Notice of Death Affidavit and Acceptance form or equivalent form must be recorded by the beneficiary after the death of the owner to make the transfer on death instrument effective. The legislation contains a sample of what information should be present on the Notice.

If you have any questions regarding this memo, please contact us at (217) 785-6619.