Session of 2014

## **Substitute for SENATE BILL No. 298**

By Committee on Assessment and Taxation

2-28

1	AN ACT concerning the recording of certain documents and instruments;
2	relating to certain fees paid thereon to the register of deeds; mortgage
3	registration tax; county clerk technology fund; amending K.S.A. 79-
4	3102 and K.S.A. 2013 Supp. 28-115 and repealing the existing
5	sections; also repealing K.S.A. 79-3101, 79-3102, as amended by
6	section 2 of 2014 Substitute for Senate Bill No. 298, 79-3103, 79-3104,
7	79-3105, 79-3106, 79-3107, 79-3107a and 79-3107b and K.S.A. 2013
8	Supp. 79-3107c.
9	Description of the Control of the Co
10	Be it enacted by the Legislature of the State of Kansas:
11 12	Section 1. K.S.A. 2013 Supp. 28-115 is hereby amended to read as follows: 28-115. (a) The register of deeds of each county shall charge and
13	collect the following fees:
14	For recording deeds, mortgages or other instruments
15	of writing, for first page, not to exceed legal size
16	page—8½" x 14"\$6.00
17	For second page and each additional page or fraction
18	thereof
19	Recording town plats, for each page
20	Recording release or assignment of real estate mortgage 5.00
21	Certificate, certifying any instrument on record
22	Acknowledgment of a signature
23	For filing notices of tax liens under the internal revenue
24	laws of the United States 5.00
25	For filing releases of tax liens, certificates of discharge,
26	under the internal revenue laws of the United States
27	or the revenue laws of the state of Kansas
28	For filing liens for materials and services under
29	K.S.A. 58-201, and amendments thereto5.00
30	(1) For the following documents received and filed prior to January
31	1, 2015, the fees shall be:
32	(A) For recording deeds, mortgages or other instruments of writing,
33	for first page, not to exceed legal size page—8 ½" x 14", a fee of \$6;
34	(B) for second page and each additional page or fraction thereof of
35	deeds, mortgages or other instruments of writing, a fee of \$2;
36	(C) recording town plats, for each page, a fee of \$20;

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- 1 (D) recording release or assignment of real estate mortgages, a fee of 2 \$5:
  - (E) certificate, certifying any instrument on record, a fee of \$1;
  - (F) acknowledgment of a signature, a fee of \$.50;
  - (G) for filing notices of tax liens under the internal revenue laws of the United States, a fee of \$5;
  - (H) for filing releases of tax liens and certificates of discharge under the internal revenue laws of the United States or the revenue laws of the state of Kansas, a fee of \$5; and
  - (I) for filing liens for materials and services under K.S.A. 58-201, and amendments thereto, a fee of \$5.
  - (2) For the following documents received and filed on and after January 1, 2015, but prior to January 1, 2016, the fees shall-not exceed he:
  - (A) For recording deeds, mortgages or other instruments of writing, for first page, not to exceed legal size page—8 ½" x 14", a fee of \$7 \$8;
  - (B) for second page and each additional page or fraction thereof of deeds, mortgages or other instruments of writing, a fee of \$3 \$5;
    - (C) recording town plats, for each page, a fee of \$21 \$23;
  - (D) recording release or assignment of real estate mortgages, a fee of <del>\$6</del> **\$8**:
    - (E) certificate, certifying any instrument on record, a fee of \$2 \$4;
    - (F) acknowledgment of a signature, a fee of \$1.50 \$3.50;
    - (G) for filing notices of tax liens under the internal revenue laws of the United States, a fee of \$6 \$8;
  - (H) for filing releases of tax liens and certificates of discharge under the internal revenue laws of the United States or the revenue laws of the state of Kansas, a fee of \$6 \$8; and
  - (I) for filing liens for materials and services under K.S.A. 58-201, and amendments thereto, a fee of \$6 \$8.
  - (3) For the following documents received and filed on and after January 1, 2016, but prior to January 1, 2017, the fees shall-not exceed be:
  - (A) For recording deeds, mortgages or other instruments of writing, for first page, not to exceed legal size page—8 ½" x 14", a fee of \$\\$ \$11;
  - (B) for second page and each additional page or fraction thereof of deeds, mortgages or other instruments of writing, a fee of \$4 \$8;
    - recording town plats, for each page, a fee of \$22 \$26;
- 39 recording release or assignment of real estate mortgages, a fee of (D)40 <del>\$7</del> **\$11**:
  - (E) certificate, certifying any instrument on record, a fee of \$3 \$7;
- acknowledgment of a signature, a fee of \$2.50 \$6.50; 42 (F) 43
  - (G) for filing notices of tax liens under the internal revenue laws of

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the United States, a fee of \$7 \$11;

- (H) for filing releases of tax liens and certificates of discharge under the internal revenue laws of the United States or the revenue laws of the state of Kansas, a fee of \$7 \$11; and
- (I) for filing liens for materials and services under K.S.A. 58-201, and amendments thereto, a fee of \$7 \$11.
- (4) For the following documents received and filed on and after January 1, 2017, but prior to January 1, 2018, the fees shall—not exceed he:
- (A) For recording deeds, mortgages or other instruments of writing, for first page, not to exceed legal size page—8 ½" x 14", a fee of \$9 \$14;
- (B) for second page and each additional page or fraction thereof of deeds, mortgages or other instruments of writing, a fee of \$5 \$11;
  - (C) recording town plats, for each page, a fee of \$23 \$29;
- (D) recording release or assignment of real estate mortgages, a fee of \$8 \$14;
  - (E) certificate, certifying any instrument on record, a fee of \$4 \$10;
  - (F) acknowledgment of a signature, a fee of \$3.50 \$9.50;
- 19 (G) for filing notices of tax liens under the internal revenue laws of 20 the United States, a fee of \$\\$\$ \$14;
  - (H) for filing releases of tax liens and certificates of discharge under the internal revenue laws of the United States or the revenue laws of the state of Kansas, a fee of \$8 \$14; and
  - (I) for filing liens for materials and services under K.S.A. 58-201, and amendments thereto, a fee of \$8 \$14.
  - (5) For the following documents received and filed on and after January 1, 2018, the fees shall not exceed be:
  - (A) For recording deeds, mortgages or other instruments of writing, for first page, not to exceed legal size page—8 ½" x 14", a fee of \$10 \$17;
  - (B) for second page and each additional page or fraction thereof of deeds, mortgages or other instruments of writing, a fee of \$6 \$14;
    - (C) recording town plats, for each page, a fee of \$24 \$32;
  - (D) recording release or assignment of real estate mortgages, a fee of \$9 \$17;
    - (E) certificate, certifying any instrument on record, a fee of \$5 \$13;
    - (F) acknowledgment of a signature, a fee of \$4.50 \$12.50;
  - (G) for filing notices of tax liens under the internal revenue laws of the United States, a fee of \$9 \$17;
- 39 (H) for filing releases of tax liens and certificates of discharge under 40 the internal revenue laws of the United States or the revenue laws of the 41 state of Kansas, a fee of \$9 \$17; and
- 42 (I) for filing liens for materials and services under K.S.A. 58-201, 43 and amendments thereto, a fee of \$9 \$17.

- (b) In addition to the fees required to be charged and collected pursuant to subsection (a), the register of deeds shall charge and collect an additional fee of \$2 per page *prior to January 1, 2015, and \$3 per page on and after January 1, 2015,* for recording:
- (1) The first page of any deeds, mortgages or other instruments of writing, not to exceed legal size— $8\frac{1}{2}$ " x 14";
- (2) the second page and each additional page or fraction of any deeds, mortgages or instruments of writing; and
  - (3) a release or assignment of real estate mortgage.

Any fees collected pursuant to this subsection shall be paid by the register of deeds to the county treasurer. *Prior to January 1, 2015,* the county treasurer shall deposit such funds in the register of deeds technology fund as provided by K.S.A. 2013 Supp. 28-115a, and amendments thereto. *On and after January 1, 2015, the county treasurer shall deposit \$2 of such funds in the register of deeds technology fund as provided by K.S.A. 2013 Supp. 28-115a, and amendments thereto, and \$1 of such funds in the county clerk technology fund as provided by section 3, and amendments thereto.* 

- (c) For any filing or service provided for in the uniform commercial code, the amount therein provided, shall be charged and collected. No fee shall be charged or collected for any filing made by the secretary of health and environment or the secretary's designee pursuant to K.S.A. 39-709, and amendments thereto.
- (d) If the name or names of the signer or signers or any notary public to any instrument to be recorded are not plainly typed or printed under the signatures affixed to the instrument, the register of deeds shall charge and collect a fee of \$1 in addition to all other fees provided in this section.
- (e) If sufficient space is not provided for the necessary recording information and certification on a document, such recording information shall be placed on an added sheet and such sheet shall be counted as a page. The document shall be of sufficient legibility so as to produce a clear and legible reproduction—thereof. If a document is judged not to be of sufficient legibility so as to produce a clear and legible reproduction, such document shall be accompanied by an exact copy—thereof which shall be of sufficient legibility so as to produce a clear and legible reproduction thereof and which shall be recorded contemporaneously with the document and shall be counted as additional pages. The register of deeds may reject any document which is not of sufficient legibility so as to produce a clear and legible reproduction—thereof.
- (f) Any document which was filed on or after January 1, 1989, which was of a size print or type smaller than 8-point type but which otherwise was properly filed shall be deemed to be validly filed.
  - (g) All fees required to be collected pursuant to this section, except

 those charged for the filing of liens and releases of tax liens under the internal revenue laws of the United States, shall be due and payable before the register of deeds shall be required to do the work. If the register of deeds fails to collect any of the fees provided in this section, the amount of the fees at the end of each quarter shall be deducted from the register's salary.

- (h) Except as otherwise provided by subsection (b), all fees required to be collected pursuant to this section shall be paid by the register of deeds to the county treasurer and deposited into the general fund of the county.
- (i) On and after January 1, 2015, in addition to the fees required to be charged and collected pursuant to subsection (a), the register of deeds shall charge and collect an additional fee of \$1 per page for recording:
- (1) The first page of any deeds, mortgages or other instruments of writing, not to exceed legal size— $8^{1}/2^{"} \times 14^{"}$ ;
- (2) the second page and each additional page or fraction of any deeds, mortgages or instruments of writing; and
  - (3) a release or assignment of real estate mortgage.

Any fees collected pursuant to this subsection shall be paid by the register of deeds to the county treasurer. The county treasurer shall pay quarterly to the state treasurer all funds accruing under this subsection. All such moneys paid to the state treasurer shall be deposited in the state treasury and credited to the heritage trust fund. No payments under this subsection shall be made by the county treasurer to the state treasurer during any calendar year in excess of a total of \$30,000. All moneys collected in excess of this amount which under this subsection would be paid to the state treasurer shall be credited to the county general fund.

- (j) On and after January 1, 2015, the fee shall not exceed \$125 for recording single family mortgages on principal residences imposed pursuant to this section where the principal debt or obligation secured by the mortgage is \$75,000 or less.
- Sec. 2. K.S.A. 79-3102 is hereby amended to read as follows: 79-3102. (a) Before any mortgage of real property, or renewal or extension of such a mortgage, is received and filed for record, there shall be paid to the register of deeds of the county in which such property or any part thereof is situated a registration fee of .26% tax of the principal debt or obligation which is secured by such mortgage, which tax shall be computed in accordance with the following schedules. In the event the mortgage states that an amount less than the entire principal debt or obligation will be secured thereby, the registration fee shall be paid on such lesser amount.
- (1) For all mortgages of real property, or renewal or extension of such a mortgage, received and filed for record prior to January 1, 2015, the tax shall be 0.26% of the principal debt or obligation which is secured

by such mortgage.

- (2) For all mortgages of real property, or renewal or extension of such a mortgage, received and filed for record on and after January 1, 2015, but prior to January 1, 2016, the tax shall be 0.2% of the principal debt or obligation which is secured by such mortgage.
- (3) For all mortgages of real property, or renewal or extension of such a mortgage, received and filed for record on and after January 1, 2016, but prior to January 1, 2017, the tax shall be 0.15% of the principal debt or obligation which is secured by such mortgage.
- (4) For all mortgages of real property, or renewal or extension of such a mortgage, received and filed for record on and after January 1, 2017, but prior to January 1, 2018, the tax shall be 0.1% of the principal debt or obligation which is secured by such mortgage.
- (5) For all mortgages of real property, or renewal or extension of such a mortgage, received and filed for record on and after January 1, 2018, but prior to January 1, 2019, the tax shall be 0.05% of the principal debt or obligation which is secured by such mortgage.
- (6) For all mortgages of real property, or renewal or extension of such a mortgage, received and filed for record on and after January 1, 2019, the tax shall be 0.0% of the principal debt or obligation which is secured by such mortgage.
- (b) As used herein, "principal debt or obligation" shall not include any finance charges or interest.
- (c) In any case where interest has been precomputed, the register of deeds may require the person filing the mortgage to state the amount of the debt or obligation owed before computation of interest.
- (d) No registration fee whatsoever shall be paid, collected or required for or on: (1) Any mortgage or other instrument given solely for the purpose of correcting or perfecting a previously recorded mortgage or other instrument; (2) any mortgage or other instrument given for the purpose of providing additional security for the same indebtedness, where the registration fee herein provided for has been paid on the original mortgage or instrument; (3) any mortgage or other instrument upon that portion of the consideration stated in the mortgage tendered for filing which is verified by affidavit to be principal indebtedness covered or included in a previously recorded mortgage or other instrument with the same lender or their assigns upon which the registration fee herein provided for has been paid; (4) any lien, indenture, mortgage, bond or other instrument or encumbrance nor for the note or other promise to pay thereby secured, all as may be assigned, continued, transferred, reissued or otherwise changed by reason of, incident to or having to do with the migration to this state of any corporation, by merger or consolidation with a domestic corporation as survivor, or by other means, where the original

secured transaction, for which the registration fee has once been paid, is thereby continued or otherwise acknowledged or validated; (5) any mortgage or other instrument given in the form of an affidavit of equitable interest solely for the purpose of providing notification by the purchaser of real property of the purchaser's interest therein; (6) any mortgage in which a certified development corporation certified by the United States small business administration participates pursuant to its community economic development program; (7) any mortgage or other instrument given for the sole purpose of changing the trustee; or (8) any mortgage for which the registration fee is otherwise not required by law. 

- (e) The register of deeds shall receive no additional fees or salary by reason of the receipt of fees as herein provided. After the payment of the registration fees as aforesaid the mortgage and the note thereby secured shall not otherwise be taxable.
- New Sec. 3. (a) On January 1, 2015, there is hereby created in each county a county clerk technology fund.
- (b) Upon receipt thereof, the county treasurer shall credit to the county clerk technology fund of the county all moneys attributable to the fees collected pursuant to subsection (b) of K.S.A. 28-115, and amendments thereto.
- (c) Moneys in the county clerk technology fund shall be used by the county clerk to acquire equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of data recorded, stored or generated in the office of the county clerk.
- (d) Moneys in such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In making the budget of the county, the amounts credited to, and the amount on hand in, such special fund and the amount expended from such fund shall be shown on the budget for the information of the taxpayers of the county. Any action taken by the county clerk under this subsection shall be in accordance with K.S.A. 19-302, and amendments thereto.
- (e) Moneys in such fund may be invested in accordance with the provisions of K.S.A. 10-131, and amendments thereto, with interest thereon credited to such fund.
- (f) The fund shall be administered by the county treasurer who shall pay out moneys from the fund upon orders signed by the county clerk.
  - (g) At the end of any calendar year, if the balance in such fund exceeds \$50,000 and the county clerk indicates that such amount in excess of \$50,000 shall not be needed and is not designated for technology, the county commission may authorize the transfer and use of such excess moneys by other county offices for equipment or technological services relating to the land or property records filed or

maintained by the county.

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- (h) If a charter form of government is adopted and implemented pursuant to K.S.A. 19-2680 et seq., and amendments thereto, the provisions of this section shall apply to the official, department or office which performs the duties and functions prescribed for the office of the county clerk.
- Sec. <del>3.</del> 4. K.S.A. 79-3102 and K.S.A. 2013 Supp. 28-115 are hereby repealed.
  - Sec. 4. 5. On January 1, 2015, K.S.A. 79-3107b is hereby repealed.
- 10 Sec. 5. 6. On January 1, 2019, K.S.A. 79-3101, 79-3102, as amended 11 by section 2 of 2014 Substitute for Senate Bill No. 298, 79-3103, 79-12 3104, 79-3105, 79-3106, 79-3107, 79-3107a and K.S.A. 2013 Supp. 79-
- 13 3107c are hereby repealed.
- Sec. 6. 7. This act shall take effect and be in force from and after its publication in the statute book.