

## Question 1 – Tax Certificate

Do you obtain a tax certificate for every residential purchase resale transaction? (Yes / No)

- if yes, why? \_\_\_\_\_

- If not, why not?

- a) Too costly
- b) not required by title insurance
- c) municipality does not provide timely certificates
- d) municipality does not provide a convenient method to order the certificate
- e) I obtain verbal tax information from the municipality
- f) The vendor's lawyer provides a copy of the most recent tax bill for the property
- g) Other: \_\_\_\_\_

### Results:

56% of respondents obtain a tax certificate for every residential purchase resale transactions.

- Many respondents noted the high cost and disruption in post-closing adjustments when the wrong information is obtained to close the deal and prefer to get it right the first time, even if title insurance could provide a reimbursement.
- Most respondents who do not order a certificate do so because their title insurer does not require it.

### Working Group (WG) comment:

Obtaining the tax certificate, in addition to other benefits, eliminates the reputational risk to the lawyer's practice as the client perceives or is told by others that the lawyer did something wrong when the adjustments are not accurate.