

Form R-5

**Virginia Department of Taxation
Nonresident Real Property Owner Registration**

Do not complete if exemptions on Form R-5E apply

Part I. Nonresident Payee

SSN, FEIN, or Virginia Business Account Number
Name
(If Trust) Name and Title of Fiduciary
Address (of Fiduciary if Trust) Number & Street or Rural Route & Box #
City or Town, State and ZIP Code

PARTNERSHIPS, S-CORPORATIONS, ESTATES and TRUSTS must provide the above information on all nonresident partners, shareholders, and beneficiaries on Form R-5P. Substitute schedules may be used provided the same format is followed.

Part II. Type of Entity (check one and enter total shares)

Individual <input type="checkbox"/>	C-Corp. <input type="checkbox"/>
Trust/Estate <input type="checkbox"/>	Partnership <input type="checkbox"/>
LLC <input type="checkbox"/>	S-Corp <input type="checkbox"/>
Check here if filing a unified individual income tax return for nonresident shareholders or partners <input type="checkbox"/>	
Total number of partners, shareholders or beneficiaries _____	

Part III. Property Information

If more than one piece of property is being rented or sold, attach a separate schedule listing the legal description of each property.

Legal Description
Address (Number and Street or Rural Route and Box Number)
City or County and ZIP Code

Indicate type of property:

- Residential Commercial Agricultural
 Other - Describe _____

If the property is disposed of by the non-resident payee, indicate the use of the property by the non-resident payee immediately prior to disposal:

- Primary Residence;
 Secondary Residence (Vacation Property, etc.) ;
 Leased or Rented property to third-party;
 Other - Describe _____

Part IV. Check either Rentals and/or Sales and complete the appropriate information

<input type="checkbox"/> Rental	Average Gross Monthly Rental Income . . \$ _____
	First date property placed in service by nonresident payee (mm/dd/yyyy) _____
<input type="checkbox"/> Sales	Gross Proceeds From Sale \$ _____
	Date of closing (mm/dd/yyyy) _____
	Installment
	Date payments begin . . . (mm/dd/yyyy) _____
	Date payments end (mm/dd/yyyy) _____

Part V. Broker or Real Estate Reporting Person

SSN, FEIN, or Virginia Business Account Number
Name
Address (Number & Street)
City or Town, State and ZIP Code

Where To Get Help. If you have any questions, call (804) 367-8031 or write to Virginia Department of Taxation, P.O. Box 1115, Richmond, Virginia 23218-1115.

Where To Get Forms. Forms can be downloaded from the website at www.tax.virginia.gov or ordered by phone from the Department of Taxation, 804-367-8031.

I, the undersigned, do declare under penalties provided by law the information provided in Parts I, II, III, IV and V is true, correct and complete to the best of my knowledge and belief.

Signature _____ Date _____

Mail this certificate to: Department of Taxation, P. O. Box 1880, Richmond, VA 23218-1880

Nonresident Real Property Owner Registration Instructions

General

Fee for preparation of Form R-5: Section 6.1-2.23:2 of the Code of Virginia prohibits settlement agents from charging any party to a real estate transaction, as a separate item on a settlement statement, a sum exceeding \$10 for complying with any requirement imposed on the settlement agent by §§ 58.1-316 or 58.1-317.

Rentals

Brokers (as defined in IRS Code Sec. 6045) managing Virginia rental properties must request registration from all existing clients.

Future clients must be requested to register when they engage the broker to manage rental property.

Brokers must file on behalf of nonresidential property owners (payees) who do not furnish the requested forms within 60 days. Brokers are only responsible for the information available in their records.

Nonresident owners previously registered may furnish subsequent brokers with a copy of current registration form in lieu of completing a new form. These copies do not need to be filed with the Department by the broker.

Nonresident owners of rental properties not managed by a broker also must comply with the registration requirement.

Sales

Real estate reporting persons (as defined in IRS Code Sec. 6045) must request registration forms from all nonresident sellers upon closings.

If a client does not complete the form at closings, the real estate reporting person must complete a form on the client's behalf. Real Estate reporting persons are only responsible for information that is available in their files.

Sales exempt from federal and state income tax are also exempt from registration; an exemption certificate must be completed and given to the real estate reporting person.

Filing Information

Brokers and real estate reporting persons are required to transmit the registration forms by the 15th of the month following the month in which the closing occurred (sales) or the form was received from the nonresident property owner (rentals).

The penalty to the broker or real estate reporting person for failure to file is \$50 per month up to a maximum of six months.

Nonresident payees are:

- Individuals who are not domiciled in Virginia or who do not live in Virginia for more than 183 days during a year;
- Corporations not organized under Virginia law;
- Estates and Trusts (1) which consists of real property belonging to a nonresident individual (or Decedent), or (2) that are being administered outside of Virginia
- Partnerships, Limited Liability Corporations, and S-Corporations which have nonresident partners or shareholders who receive income from the sale of rental or real property located in Virginia.

Completing the Form

Items not specifically mentioned below are self-explanatory on the form. Each section, Parts I-IV, is to be filled out completely.

If the nonresident payee does not use the services of a broker or real estate reporting person, Part V should not be completed. The nonresident payee should mail the Form R-5 or R-5E to the Department of Taxation. If, however, nonresident payee uses a broker or real estate reporting person, Part V should be completed and the nonresident payee should mail Form R-5 or R-5E to the address given at the bottom of the Form.

Gross Proceeds and Closing Date - The amount of gross proceeds and the closing date are the same as the information reported on Federal Form 1099-S, if applicable.

Installment Sale - Generally - If at least one payment is to be received after the close of the taxable year in which the sale occurs (see IRS Code Sec. 453 (b)), list the dates payments will be made.