

## Miscellaneous/Transfer:

### District of Columbia: Vesting of Real Property in Merger Triggers Transfer and Recordation Taxes

*Case No. 22-TX-0434, DC (7/25/24).* In a case involving the merger of two limited liability companies that effected a vesting of real property from one entity to another, the District of Columbia (DC) Court of Appeals (Court) affirmed that the certificate of merger in this case functioned as a “deed or any document” that transferred title to the property under applicable DC law and thus the transaction was subject to DC transfer and recordation taxes. In doing so, the Court explained that applicable DC law does *not* emphasize the form of the deed but rather “the act of conveyance,” and that a transferee must submit a deed when a document conveys title – “whether via deed or by operation of law.” Among its arguments to the contrary, the taxpayer argued that the property transfer in this case was merely a transfer of an economic interest exempt from both DC transfer and recordation taxes. Please contact us with any questions.

**URL:** <https://www.dccourts.gov/sites/default/files/2024-07/Vornado%203040%20M%20Street%20LLC%20v%20DC%2022-TX-0434.pdf>

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