Form NR-AF3 7/08

Reset Form

Alabama Department of Revenue

50 North Ripley Street
Montgomery, Alabama 36132
For Information Call 334-242-1170

SELLER'S CERTIFICATE OF EXEMPTION

_____ _____
Seller's Name Seller's Identification Number (SSN or FEIN)

_____ _____
_____ Spouse's Identification Number (if jointly owned)

_____ _____ _____ _____
Street Address City State Zip

INSTRUCTIONS

This form is provided for the convenience of the seller and the protection of the buyer, to be executed in sales or transfers of real property by nonresidents when the seller is exempt from the withholding requirements imposed by the Alabama Department of Revenue pursuant to Section 40-18-86, *Code of Alabama 1975*. This form is not required to be used or submitted to the Department, but the seller may wish to execute this form or a similar document to protect all parties to the transaction. The buyer may rely on the seller's affidavit unless the buyer knows or should know, based on the buyer's knowledge at the time of closing, that statements made on the affidavit are false. The buyer has no duty to investigate the statements made on a seller's affidavit. To execute this form, the seller is to initial any statement which applies. If any one of the statements below applies to the seller, the transaction is exempt.

This is to certify that the seller of this property is not a resident of Alabama, but is exempt from the withholding provisions of the Alabama Department of Revenue Section 40-18-86 by virtue of the following:

_____ The property being sold is the seller's principal residence and none of the gain is required to be included in federal adjusted gross income.

_____ The seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.

_____ The seller or buyer is a subdivision, agency or authority of the United States of America or the State of Alabama.

_____ The seller or buyer is the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation.

_____ The seller or buyer is a private mortgage insurance company.

_____ The purchase price of the property is less than $800,000.00, for property sold prior to January 1, 2009.

_____ The seller is an S corporation or a partnership subject to withholding under Section 40-18-86, and an Alabama composite return will be filed on behalf of the nonresident shareholders, members, or partners.

_____ The seller is a tax exempt organization, and the income from this sale is not subject to Alabama income tax.

_____ The seller is an insurance company which pays to Alabama a tax on its premium income.

_____ The transaction is a non-recognition transaction such as a like kind exchange where gain is realized by the seller but completely not recognized for Alabama income tax purposes.

_____ The transaction is a transfer of a limited interest in real property, including easements, rights of way, mortgages or other instruments that secure indebtedness, or leases (not including capital leases).

Under penalties of perjury, I swear that the above information is, to the best of my knowledge and belief, true, correct, and complete.

_____ _____
Seller's Signature (and Title, if applicable) Date

Sworn to and subscribed before me this
_____day of _____, _____
_____Notary public
My commission expires_____