PASS GEORGIA
REAL ESTATE EXAM PREP

GEORGIA REAL ESTATE EXAM GLOSSARY

Intangible recording tax

Georgia intangible recording tax applies when a qualifying long-term note secured by real estate is recorded.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Finance and Closing	Georgia taxes and closing math	Define, distinguish, apply, retrieve

SOURCE STANDARD

Official exam outline plus authoritative Georgia or federal references where the topic has a controlling rule. Independent educational resource, not affiliated with GREC or PSI.

01 / COMPLETE LESSON

Build the complete exam definition

Learn the rule, separate it from the nearest distractor, then apply it to a Georgia fact pattern.

CORE DEFINITION

What does Intangible recording tax mean?

Georgia intangible recording tax applies when a qualifying long-term note secured by real estate is recorded. For notes executed on or after July 1, 2025, long-term means that some principal falls due more than 62 months after the note or security instrument date. The rate is $1.50 per $500 or fraction of the note's face amount, subject to a $25,000 maximum on a single note.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

This tax is based on the secured note, not the property's sale price. It is separate from real estate transfer tax.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

The holder must record the security instrument and pay the tax within 90 days. The holder may pass the tax to the borrower without treating it as a finance charge.

WORKED EXAMPLE

A buyer pays $400,000 and borrows $310,250 on a qualifying long-term note. Divide the loan by $500, round up the fraction, then multiply by $1.50.

EXAM TRAP

Candidates commonly use the sale price, round down a partial $500, or forget the statutory cap.

02 / PRACTICE AND MASTERY

Retrieve the rule under exam conditions

Answer before reading the explanation. Then explain why every distractor belongs to a different term.

ORIGINAL PRACTICE CHECK

A buyer pays $400,000 and signs a 30-year note for $310,250 secured by the property. What is the Georgia intangible recording tax at $1.50 per $500 or fraction of the note?

- A $930.00
- B $931.50
- C $1,200.00
- D $310.30

CORRECT ANSWER: B

The tax is based on the note, and a partial $500 counts as a full one: $310,250 divided by $500 is 620.5, which rounds up to 621, and 621 times $1.50 equals $931.50. Rounding down gives $930.00, the sale price gives $1,200.00, and $310.30 applies the transfer tax method to the loan.

MASTERY TRACKER

Mark each box only when you can perform the skill without looking.

- [ ] I can define the term in one precise sentence.
- [ ] I can separate it from the closest look-alike.
- [ ] I can explain the Georgia rule or confirm that the national rule applies.
- [ ] I can answer the practice check and explain every option.

03 / CONNECTIONS AND AUTHORITY

Connect the term to the wider exam

Use these relationships to move from isolated recall to a connected exam model.

RELATED TERM

Transfer tax

Georgia real estate transfer tax is an excise tax on a taxable conveyance of real property.

https://www.passgeorgiarealestate.com/glossary/transfer-tax

RELATED TERM

Security deed

A security deed, also called a deed to secure debt, is Georgia's customary instrument for securing a real estate loan.

https://www.passgeorgiarealestate.com/glossary/security-deed

RELATED TERM

Loan origination fee

A loan origination fee is a charge for the lender's work in making, processing, or underwriting a loan.

https://www.passgeorgiarealestate.com/glossary/loan-origination-fee

RELATED TERM

Buyer funds needed at closing

Buyer funds needed at closing are the buyer's purchase-price obligation plus buyer closing costs and debits, minus loan proceeds, deposits already paid, seller credits, and other credits shown in the problem.

https://www.passgeorgiarealestate.com/glossary/buyer-funds-at-closing

RECOMMENDED NEXT COMPLETE LESSON

Finance and Closing complete lesson

https://www.passgeorgiarealestate.com/blog/georgia-transfer-tax-and-intangible-recording-tax

EXAM SOURCES AND AUTHORITY NOTES

1. PSI Georgia Candidate Information Bulletin, 7/1/2026

Official exam administration and content-outline source.

https://test-takers.psiexams.com/api/content/bulletin/4672

2. Georgia Department of Revenue, Intangible Recording Tax

Official source for the Georgia tax on qualifying long-term notes secured by real estate.

https://dor.georgia.gov/intangible-recording-tax