GEORGIA REAL ESTATE EXAM GLOSSARY

Transfer tax

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

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.

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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 Transfer tax mean?

Georgia real estate transfer tax is an excise tax on a taxable conveyance of real property. It is calculated from consideration at $1 for the first $1,000 or fraction, plus 10 cents for each additional $100 or fraction.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Transfer tax follows the consideration for the conveyance. Intangible recording tax follows the face amount of a qualifying long-term note secured by real estate.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Georgia law places liability on the person executing the instrument, typically the seller, although a contract may allocate the cost differently between the parties.

WORKED EXAMPLE

A property sells for $325,000 with a new $260,000 loan. The transfer-tax base is the $325,000 consideration, not the loan.

EXAM TRAP

Using the loan amount or the intangible-tax rate produces a plausible but wrong answer.

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 Georgia home sells for $325,000. The buyer finances $260,000 with a new loan, and no existing lien stays on the property. What is the state transfer tax at $1 per $1,000 of consideration?

- A $260
- B $780
- C $325
- D $975

CORRECT ANSWER: C

Transfer tax is figured on the consideration for the sale: $325,000 divided by $1,000 is 325, times $1 equals $325. The new loan is not deducted, because only pre-existing liens that stay on the property are excluded. The $260 answer uses the loan amount, and $780 and $975 apply the intangible tax rate instead.

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

Intangible recording tax

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

https://www.passgeorgiarealestate.com/glossary/intangible-recording-tax

RELATED TERM

Seller net proceeds

Seller net proceeds are the amount a seller receives after subtracting payoff amounts, brokerage compensation, taxes, closing costs, debits, and other seller obligations from the gross sale proceeds, then adding any seller credits.

https://www.passgeorgiarealestate.com/glossary/seller-net-proceeds

RELATED TERM

Deed

A deed is a written instrument by which a grantor conveys an interest in real property to a grantee.

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

RELATED TERM

Closing attorney

A closing attorney is the Georgia-licensed lawyer who conducts the legal closing, oversees execution and disbursement, and handles the conveyancing and title-related legal work that constitutes the practice of law.

https://www.passgeorgiarealestate.com/glossary/closing-attorney

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, Recording and Transfer Taxes

Official source for Georgia transfer-tax and recording-tax treatment.

https://dor.georgia.gov/real-estate-transfer-tax