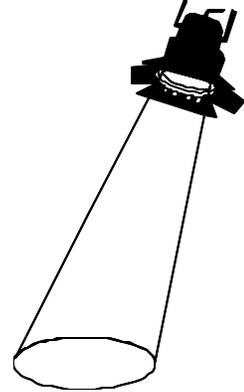


**The University of Tennessee
County Technical Assistance Service
SPOTLIGHT on CURRENT
ISSUES**

**Executive Director's Memo
June 14, 2000**



**UCC BILL BECOMES LAW
UCC FEES INCREASE JULY 1, 2000
MANY OTHER CHANGES JULY 1, 2001**

Governor Sundquist has recently signed into law Public Chapter 846, the UCC bill (Senate Bill 2257/House Bill 2377). This act will dramatically affect the office of Register of Deeds. Most of the changes in this large amendment to the Tennessee version of the Uniform Commercial Code (UCC) will take effect on July 1, 2001. However, one simple but important change will occur on *July 1, 2000 (this year!)*. *This is a fee increase for filings of UCC documents. The fee for UCC filings will increase from \$12 plus 50 cents for each page over 10 pages to \$15 plus 50 cents per page for each page over 10 pages. The portion of the UCC filing fee earmarked for computerization of the Register's office remains at \$2 per UCC document fee collected, so the \$3 increase is part of the unearmarked portion of the fee.*

CTAS will report in detail on the changes occurring next year as a result of this Act, but not in this Spotlight. The following is a summary of the changes to the office of Register of Deeds to occur on *July 1, 2001*:

- i Most UCC documents will be filed with the Secretary of State . Fixture filings and financing statements with collateral of timber to be cut will continue to be filed with the Register, but all other filings of financing statements will shift to the Secretary of State.

i The Register's basic fee statute is simplified. This affects all non-UCC documents except corporate charters and certificates of limited partnership. Fees for filing plats are standardized at \$15 plus a \$2 DP fee. Effective July 1, 2001, Hamilton County will only accept one size plats for recording 24x30. A new fee of \$5 is added for a certified copy of a plat, map or survey. No fee for recording military discharges. ***The fee for recording each document is \$10 plus \$5 for each instrument in a document in excess of one, plus \$5 for each page in a document in excess of two pages.*** A document is defined as the entire writing offered for registration, which may contain one or more instruments. An instrument is defined as a legal writing that gives formal expression to or evidence of a complete legal act or agreement requiring a separate index entry. For example, a document that contains a deed and a release of a deed of trust contains two instruments, and a document that contains three assignments contains three instruments. The fee for a certified copy of a document other than a plat, map or survey remains at \$1 per page.

i The portion of the Register's 5% commission for collecting the state transfer and mortgage tax that goes to the state for county officials' retirement was increased slightly from 50% to 52% to reflect the decrease in mortgage tax revenue from UCC filings collected by Registers beginning July 1, 2001.

If you have questions concerning this act, please contact your CTAS regional consultant.