

NJHMFA requires that a tax service fee be charged on conventional loans and USDA loans. The tax service fee should be reflected on the GFE in the section titled "Your Charges for All Other Settlement Services" #3. Required services that we select. The description of the tax service is listed under Service and the dollar amount is listed under Charge. When the loan is closed the tax service fee should be listed on the HUD-1 Settlement Statement on line 806.

The borrowers are not allowed to be charged tax service fees on FHA and VA loans.