

By the Committee on Ways and Means; and Senator Ostalkiewicz

301-2245-98

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A bill to be entitled
An act relating to the excise tax on documents;
amending s. 201.09, F.S.; prescribing liability
for the tax when a renewal note increases the
unpaid balance or the original face amount of
an original contract and obligation; providing
a retroactive exemption for taxes on certain
promissory notes; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1) of section 201.09, Florida
Statutes, is amended to read:

201.09 Renewal of existing promissory notes and
mortgages; exemption.--

(1) When any promissory note is given in renewal of
any existing promissory note, which renewal note only extends
or continues the identical contractual obligations of the
original promissory note and evidences part or all of the
original indebtedness evidenced thereby, not including any
accumulated interest thereon and without enlargement in any
way of the original contract and obligation, such renewal note
shall not be subject to taxation under this chapter if such
renewal note has attached to it the original promissory note
with the proper notation thereon as required by s. 201.133.
In order to be exempt from taxation under this section, a
renewal note evidencing a term obligation shall not be
executed by any person other than the original obligor and
must renew and extend only the unpaid balance of the original
contract and obligation. In order to be exempt from taxation
under this section, a renewal note evidencing a revolving

1 obligation shall not be executed by any person other than the
2 original obligor and must renew and extend no more than the
3 original face amount of the original contract and obligation.
4 A renewal note evidencing a term obligation which increases
5 the unpaid balance of the original contract and obligation is
6 taxable only on the face amount of the increase. A renewal
7 note evidencing a revolving obligation which increases the
8 original face amount of the original contract and obligation
9 is taxable only on the amount of the increase.

10 Section 2. Section 3 of chapter 97-123, Laws of
11 Florida, applies retroactively to the renewal of any
12 promissory note evidencing a revolving line obligation
13 executed on or after January 1, 1990, for which the tax under
14 section 201.09, Florida Statutes, has not been paid and which
15 is the subject of a pending protest that was initiated prior
16 to January 1, 1998.

17 Section 3. This act shall take effect July 1, 1998.

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19 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
20 COMMITTEE SUBSTITUTE FOR
21 SB 1082

22 This committee substitute adds a retroactive tax exemption for
23 renewal of any promissory note evidencing a revolving line
24 obligation enacted on or after January 1, 1990, for which tax
25 under s. 201.09, F.S., has not been paid and which is the
26 subject of a pending protest that was initiated prior to
27 January 1, 1998.
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