

1 A bill to be entitled
 2 An act relating to the excise tax on documents; amending
 3 s. 201.02, F.S.; imposing the tax on the consideration for
 4 short sale transfers of real property; excluding certain
 5 unpaid indebtedness from such consideration; defining the
 6 term "short sale"; providing an effective date.

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

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 10 Section 1. Subsection (11) is added to section 201.02,
 11 Florida Statutes, to read:

12 201.02 Tax on deeds and other instruments relating to real
 13 property or interests in real property.--

14 (11) The tax imposed by this section applies to any deed,
 15 instrument, or writing that transfers any interest in real
 16 property pursuant to a short sale. The taxable consideration for
 17 a short sale transfer does not include unpaid indebtedness that
 18 is forgiven or released by a mortgagee holding a mortgage on the
 19 grantor's interest in the property. For purposes of this
 20 subsection, the term "short sale" means a purchase and sale of
 21 real property in which all of the following apply:

22 (a) The grantor's interest is encumbered by a mortgage or
 23 mortgages securing indebtedness in an aggregate amount greater
 24 than the purchase price paid by the grantee.

25 (b) A mortgagee releases the real property from its
 26 mortgage in exchange for a partial payment of less than the
 27 total of the outstanding mortgage indebtedness owed to the
 28 releasing mortgagee.

CS/HB 55

2009

29 (c) The releasing mortgagee and any person related to the
30 releasing mortgagee do not receive any interest in the property
31 transferred.

32 (d) The releasing mortgagee is not controlled by or
33 related to the grantor or the grantee and the grantor and the
34 grantee are not controlled by or related to each other.

35 Section 2. This act shall take effect July 1, 2009.