

1 A bill to be entitled
 2 An act relating to the excise tax on documents; amending
 3 s. 201.02, F.S.; excluding certain unpaid indebtedness
 4 from the taxable consideration for short sales of real
 5 property; defining the term "short sale"; providing an
 6 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 taxable consideration for a short sale transfer
 15 does not include unpaid indebtedness that is forgiven or
 16 released by a mortgagee holding a mortgage on the grantor's
 17 interest in the property. For purposes of this subsection, the
 18 term "short sale" means a purchase and sale of real property in
 19 which all of the following apply:

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

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

27 (c) The releasing mortgagee does not receive, directly or
 28 indirectly, any interest in the property transferred.

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29 (d) The releasing mortgagee is not controlled by or
30 related to the grantor or the grantee.

31 Section 2. This act shall take effect July 1, 2010.