

By the Committees on Finance and Tax; and Judiciary; and Senator Ring

593-02427-10

2010234c2

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

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

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

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

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

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

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

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

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

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