

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: HB 5501

INTRODUCER: Transportation & Economic Development Budget Subcommittee and Representative Shoaf

SUBJECT: Documentary Stamp Tax Distributions

DATE: February 27, 2026 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Griffin</u>	<u>Sadberry</u>	<u>AP</u>	<u>Pre-meeting</u>

I. Summary:

HB 5501 amends s. 201.15, F.S., to modify the distribution of documentary stamp taxes by redirecting a portion of the collections that are currently deposited in General Revenue Fund and deposits those revenues in the State Transportation Trust Fund.

The revised distribution of \$60 million provided by the bill directs funding for the Florida Rail Enterprise, reinstating a revenue distribution that was eliminated during the 2025 Legislative Session.¹ See Section V., Fiscal Impact Statement.

The bill is effective July 1, 2026.

II. Present Situation:

Documentary Stamp Tax

The documentary stamp tax levies an excise tax on deeds or other documents that convey an interest in Florida real property. The tax comprises two taxes imposed on different bases at different tax rates. The first tax rate is 70 cents on each \$100 of consideration for deeds, instruments, or writings whereby lands, tenements, or other real property or interests that are granted, assigned, transferred, conveyed, or vested in a purchaser.² The second tax rate is 35 cents per each \$100 of consideration for certificates of indebtedness, promissory notes, wage assignments, and retail charge account agreements.³ Revenue collected from the documentary stamp tax is divided between the General Revenue Fund and various trust funds⁴ according to the statutory formula in s. 201.15, F.S.

¹ Chapter 2025-208, s. 23, Laws of Fla.

² Section 201.02, F.S.

³ Sections 207.07 and 201.08, F.S.

⁴ The Land Acquisition Trust Fund, the State Transportation Trust Fund, the State Economic Enhancement and Development Trust Fund, the General Inspection Trust Fund, the Water Protection and Sustainability Program Trust Fund, the Resilient

Section 201.15, F.S., prescribes the distribution of revenues from the documentary stamp tax, after payments on certain outstanding bonds and the constitutionally required distribution to the Land Acquisition Trust Fund. The remaining revenues from the excise tax on documents are distributed to various trust funds, including the State Housing and Local Government Housing Trust Funds and the State Transportation Trust Fund.

Documentary Stamp Tax Distributions – Transportation

Prior to the distribution revisions made pursuant to ch. 2025-208, Laws of Florida, the Florida Department of Transportation (FDOT) received distributions of the lesser of \$466.75 million or 20.5453 percent in each fiscal year.

Currently, the FDOT receives distributions of the lesser of \$360.08 million or 20.5453 percent in each fiscal year to the credit of the State Transportation Trust Fund. These funds are to be utilized as follows:

- Thirteen percent of the funds must be used for the Small County Outreach Program (SCOP) as specified in s. 339.2818, F.S. This program assists small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.
- Seventy eight percent of the funds must be used for the Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, F.S.
- Nine percent of the funds must be used for the Transportation Regional Incentive Program specified in s. 339.2819, F.S.

As part of the higher distribution rates in previous fiscal years, \$60 million of the documentary stamp tax collections was required to be allocated annually to the Florida Rail Enterprise for funding projects authorized in s. 341.303, F.S. This distribution was eliminated during the 2025 Legislative Session.

State Transportation Trust Fund (Department of Transportation)

Section 206.46, F.S., authorizes the creation of the State Transportation Trust Fund (STTF), which is used by the FDOT to account for the administration of the maintenance and development of the state highway system and other transportation related projects. The STTF's primary revenue sources from state taxes and fees include fuel taxes and motor vehicle license related fees.⁵ Current projections by the Revenue Estimating Conference of these state revenues deposited into the STTF total over \$5 billion for Fiscal Year 2026-2027.⁶

Florida Trust Fund, the State Housing Trust Fund, the Local Government Housing Trust Fund, and the Grants and Donations Trust Fund in COM.

⁵ Florida Department of Transportation, *Florida's Transportation Tax Sources* (2026), available at <https://fdotewp1.dot.state.fl.us/FMSupportApps/Documents/pr/Primer.pdf> (last visited Feb. 25, 2025).

⁶ Office of Economic & Demographic Research, Revenue Estimating Conference, Revenues to State Transportation Trust Fund Forecast, (January 12, 2026), available at <https://edr.state.fl.us/Content/conferences/transportation/Transresults.pdf> (last visited Feb. 25, 2026).

Small County Outreach Program

The Small County Outreach Program was created with the purpose of assisting small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.

Small counties are eligible to compete for funds that have been designated for the Small County Outreach Program (SCOP) for projects on county roads. Available funds are allocated to the districts based on the number of eligible counties. The Department of Transportation funds 75 percent of the cost of projects on county roads funded under the program. Funding to support the SCOP comes from documentary stamp tax distributions, local option fuel taxes,⁷ and certain motor vehicle registration transactions.⁸ Section 339.08, F.S., also authorizes the FDOT to use funds in the State Transportation Trust Fund on SCOP.

Strategic Intermodal System

The Strategic Intermodal System (SIS) is Florida's high priority network of transportation facilities that are important to the state's economy and mobility. The SIS was established in 2003 to focus the state's limited transportation resources on the facilities most significant for interregional, interstate, and international travel. The SIS is the state's highest priority for transportation capacity investments and a primary focus for implementing the Florida Transportation Plan, the state's long-range transportation vision and policy plan.⁹

State funding for the SIS comes from documentary stamp tax distributions, and certain motor vehicle registration transactions.¹⁰ The FDOT is also required to allocate at least 50 percent of any new discretionary highway capacity funds to the SIS.¹¹ Section 339.08, F.S., also authorizes the FDOT to use funds in the SSTF on the SIS.

Transportation Regional Incentive Program

The Transportation Regional Incentive Program was created as part of major growth management legislation enacted during the 2005 Legislative Session. The purpose of the program is to encourage regional planning by providing state matching funds for improvements to regionally significant transportation facilities identified and prioritized by regional partners. The FDOT funds 50 percent of the project cost.

Projects to be funded with Transportation Regional Incentive Program funds must, at a minimum:

- Serve national, statewide, or regional functions and operate as part of an integrated regional transportation system.

⁷ Section 215.211, F.S.

⁸ Section 320.072, F.S.

⁹ Florida Department of Transportation, *Florida's Strategic Intermodal System (SIS)*, (2026), available at <https://www.fdot.gov/planning/systems/sis> (last visited Feb. 25, 2026).

¹⁰ Section 320.072, F.S.

¹¹ Section 339.135 (4)(a)2., F.S.

- Be identified in the capital improvements element of a comprehensive plan that has been determined to be in compliance with part II of ch. 163, F.S., after July 1, 2005. Further, the project must be in compliance with local government comprehensive plan policies relative to corridor management.
- Be consistent with the Strategic Intermodal System Plan developed under s. 339.64, F.S.
- Have a commitment for local, regional, or private financial matching funds as a percentage of the overall project cost.¹²

The Florida Rail Enterprise

FDOT's rail office is responsible for assisting in the development of Florida's rail system, both passenger, freight, and Florida's multimodal freight programs. The office develops and implements the Florida Rail System Plan, rail safety, rail project development/management, rail research, and Strategic Intermodal System implementation. The rail office also develops and implements the Freight Mobility and Trade Plan, and provides leadership, policy guidance, and technical assistance to ensure efficient and effective freight movement throughout the state.

Section 341.303, F.S., outlines rail project eligibility as well as participation with capital assistance and operating costs. The statute authorizes the Florida Rail Enterprise to fund up to 100 percent of the net operating costs of any eligible intercity or commuter rail system for up to seven years. Any project that is consistent with the approved local government comprehensive plan of the unit of government of the areas served by the rail service, and that is contained in the adopted work program is eligible for the expenditure of state funds.

III. Effect of Proposed Changes:

This bill amends s. 201.15, F.S., to modify the distribution of documentary stamp taxes by redirecting a portion of the collections that are currently deposited in general revenue and deposits those revenues in the State Transportation Trust Fund. Current law allocates these funds among the Small County Outreach Program, the Strategic Intermodal System and the Transportation Regional Incentive Program.

The revised distribution of \$60 million provided by the bill directs funding for the Florida Rail Enterprise, reinstating a revenue distribution that was eliminated during the 2025 Legislative Session. The distributions in current law for Small County Outreach Program, the Strategic Intermodal System and the Transportation Regional Incentive Program remain unchanged.

The bill reinstates paragraph (b) of s. 348.58 (4), F.S., which provides that rail funding required by the FDOT in s. 348.58(4), F.S., may not be provided from funds dedicated to the Florida Rail Enterprise from the documentary stamp tax.

The bill has an effective date of July 1, 2026.

¹² Section 339.2819, F.S.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Private sector developers and the construction industry may have access to additional funding to aid in the development and construction of rail transportation facilities.

C. Government Sector Impact:

The bill reinstates a distribution of documentary stamp taxes deposited in the State Transportation Trust Fund, redirecting those proceeds from general revenue. This will have a positive impact of \$60 million on the State Transportation Trust Fund with a negative impact on the General Revenue Fund of the same amount. While the bill adjusts this distribution, there is a net zero impact on state revenues, and the bill does not have any further impact on standard documentary stamp tax distributions outside of the State Transportation Trust Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 201.15 and 343.58.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
