



Documentary Stamp Tax

Which Documents Require Documentary Stamp Tax?

Documentary stamp tax is levied on documents as provided under Chapter 201, Florida Statutes (F.S.). Documents subject to the tax include:

- Deeds
- Bonds
- Notes and written obligations to pay money
- Mortgages, liens, and other evidences of indebtedness

Deeds

The tax rate for documents that transfer an interest in real property is \$.70 per \$100 (or portion thereof) of the total consideration paid, or to be paid, for the transfer. An exception is Miami-Dade County, where the rate is \$.60 per \$100 (or portion thereof) when the property is a single-family residence. If the Miami-Dade property is anything other than a single-family residence, the tax rate is \$.60 plus \$.45 surtax per \$100 (or portion thereof).

Examples of documents that may include a transfer of interest in real property include:

- Warranty deeds
- Quit claim deeds
- Contracts for timber, gas, oil, or mineral rights
- Easements
- Contracts or agreements for deed
- Assignments of contract or agreement for deed
- Assignments of leasehold interest
- Assignments of beneficial interest in a trust
- Deeds in lieu of foreclosure

Consideration generally consists of:

- Money paid or to be paid
- Discharge of an obligation
- Mortgage or other lien encumbering the property
- Exchange of property
- Any other monetary consideration or consideration which has value

When the consideration paid or exchanged for real property is property other than money, the consideration is equal to the fair market value of the real property.

A document that transfers an interest in real property between a husband and wife may be subject to documentary stamp tax. If the property is mortgaged, tax is generally due on half of the outstanding balance of the mortgages encumbering the property. Tax is generally not due if the property is not mortgaged or if the marital home is transferred due to a divorce.

Bonds

Documentary stamp tax is due upon the original issuance of bonds in Florida. The tax rate is \$.35 per \$100 (or portion thereof) based upon the face value of the bond.

Notes and Other Written Obligations to Pay Money

The tax rate on a written obligation to pay money is \$.35 for each \$100 (or portion thereof) of the obligation evidenced by the document. Tax is due on a document that contains a promise to pay a specific amount of money and is signed, executed, or delivered in Florida. The maximum amount of documentary stamp tax due on unsecured notes or other written obligations to pay money is \$2,450.

Examples include:

- Demand notes
- Term notes
- Retail installment sale contracts
- Certain renewal notes
- Title loans

Mortgages, Liens, and Other Evidences of Indebtedness

Documentary stamp tax is due on a mortgage, lien, or other evidence of indebtedness filed or recorded in Florida. The tax rate is \$.35 per \$100 (or portion thereof) and is based on the amount of the indebtedness or obligation secured, even if the indebtedness is contingent. When a mortgage, lien, or other evidence of indebtedness is given to secure a previously unsecured indebtedness or obligation upon which the maximum tax of \$2,450 was paid, tax is due on the full amount of the indebtedness or obligation secured, minus the \$2,450 already paid.

Exemptions

Documentary stamp tax is payable by any of the parties to a taxable transaction. If one party is exempt, the tax is required of the nonexempt party. United States government agencies; Florida government agencies; and Florida's counties, municipalities, and political subdivisions are exempt from documentary stamp tax.

Certain documents are exempt from documentary stamp tax by state or federal law. Review Chapter 201, F.S., for information about exempt transactions.

Collecting and Paying the Tax

Non-registered persons who have less than five (5) taxable transactions per month must use Form DR-228, Documentary Stamp Tax Return for Non-registered Taxpayers' Unrecorded Documents, to pay tax.

Any person with five (5) or more taxable transactions per month must register with us. You can register to collect and/or report documentary stamp tax through our Internet site at **www.myflorida.com/dor**. The site will guide you through an application interview that will help you determine your tax obligations. If you do not have Internet access, you can complete a paper *Application to Collect and/or Report Tax in Florida* (Form DR-1).

Registered taxpayers must use their personalized *Documentary Stamp Tax Return for Registered Taxpayers' Unrecorded Documents* (Form DR-225) to pay tax.

Penalty and Interest

A penalty of 10 percent per month, of the amount of tax owed, not to exceed 50 percent and a floating rate of interest is imposed on any document upon which proper tax is not timely paid. A minimum penalty is assessed on late returns, even if no tax is due.

The rate of interest is updated January 1 and July 1 of each year by using the formula established in section 213.235, F.S. Current and prior period interest rates are posted on our Internet site.

Reference Materials

Tax Laws –Our online Tax Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications. Search the law library for Rules 12B-4, Florida Administrative Code and Chapter 201, F.S.

For Information and Forms

Information and forms are available on our Internet site at:

www.myflorida.com/dor

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a written reply to tax questions, write:

Taxpayer Services
Florida Department of Revenue
5050 W Tennessee St Bldg L
Tallahassee FL 32399-0112

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- Tax Information Publications (TIPs).
- *Facts on Tax*, a quarterly publication.
- Proposed rules, notices of rule development workshops, and more.

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