



Documentary Stamp Tax on Deeds and Other Documents that Transfer Interest in Real Property

Reference Sheet

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This reference sheet is provided as an aid in determining the appropriate amount of documentary stamp tax due on documents that transfer an interest in Florida real property.

Documentary stamp tax is imposed under section 201.02, Florida Statutes (F.S.), on documents that transfer interest in Florida real property. The tax rate is \$.70 per \$100 (or portion thereof) of the total consideration paid, or to be paid, for the transfer. Miami-Dade County is an exception, 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 transfer an 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 includes, but is not limited to:

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

When the consideration for real property includes property other than money, the consideration is presumed to be equal to the fair market value of the real property.

A document transferring 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 mortgage(s) encumbering the property. Tax is generally not due if the property is not mortgaged or if the marital home is transferred between former spouses due to a divorce.

Penalty and Interest

When tax is not paid timely, Florida imposes a **penalty** of 10 percent per month, of the amount of tax owed, not to exceed 50 percent, and **interest**. The rate of interest is updated January 1 and July 1 of each year by using a formula established by law.

Visit our Internet site: www.myflorida.com/dor for current and prior period interest rates. A Tax Information Publication (TIP) that includes current and past interest rates is posted every six months. You may also contact Taxpayer Services at 800-352-3671.

Questions that May Help Determine Consideration

Was there money paid for the interest transferred?

Is there money to be paid for the interest transferred?

Was the property interest transferred in lieu of a debt payment (did the grantee forgive an indebtedness because of the property interest received)?

Was the property encumbered by a mortgage or other lien at the time of the transfer?

Was there an exchange of real, tangible, or intangible property for the interest transferred?

Will the grantee or grantee's designee receive anything of value for the interest transferred?

Examples of Tax Calculations

Husband and wife transfer their jointly-owned, Duval County property to a trust organized under Chapter 689, F.S. The wife is the sole current beneficiary under the trust. The property is encumbered by a mortgage of \$100,000.00 and there is no other consideration for the transfer. The consideration for the transfer is \$50,000.00 (the amount of the mortgage equal to the percentage of the interest transferred).

Tax calculation: 500 (taxable \$100 units) x \$0.70 = \$350.00 tax due.

Linda purchases property located in Escambia County from Susan. Linda gives Susan \$30,000.00 as a down payment and Susan takes back a note and mortgage from Linda in the amount of \$150,000.00.

The consideration for the transfer is \$180,000.00 (the \$30,000.00 paid and the \$150,000.00 to be paid).

Tax calculation: 1800 (taxable \$100 units) x \$0.70 = \$1260.00 tax due.

In lieu of foreclosure, John transfers his single family residence located in Miami-Dade County to the bank that holds the mortgage on the property. The balance of the mortgage at the time of the transfer is \$225,132.75. The consideration for the transfer is \$225,132.75 (the amount of the debt forgiven).

Tax calculation: 2,252 (taxable \$100 units) x \$0.60 = \$1,351.20 tax due.

Bob exchanges his unimproved real property located in Sarasota County with Carrie for a recreational vehicle. The fair market value of Bob's property is \$40,675.00. The consideration for the transfer is \$40,675.00. Since the property was exchanged for consideration other than money, it is presumed that the consideration for the transfer is the fair market value of the property.

Tax calculation: 407 (taxable \$100 units) x \$0.70 = \$284.90 tax due.

This reference sheet is intended as an aid and should not be understood to cover all possible circumstances, all taxable documents, and all forms of consideration for transfers.

For other information, visit our Internet site at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671.

The Documentary Stamp tax brochure is available on-line at www.myflorida.com/dor/taxes/doc_stamp.html