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 other 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 mortgage(s) 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 on the original issuance of bonds in Florida. The tax rate is $.35 per $100 (or portion thereof) based on 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

Registered taxpayers can file and pay documentary stamp tax using the Department's secure web application or a paper *Documentary Stamp Tax Return for Registered Taxpayers' Unrecorded Documents* (Form DR-225). You can access the web application using your certificate number and Federal employer identification number (FEIN) or a user ID and password issued by the Department. You must enroll in our e-Services program to receive a user ID and password. Advantages to enrolling are:

- your bank account and contact information are saved
- the ability to view your filing history
- the ability to reprint your returns

Nonregistered persons who have fewer than five (5) taxable transactions per month can file and pay documentary stamp tax using the Department's secure web application or a paper *Documentary Stamp Tax Return for Nonregistered Taxpayers' Unrecorded Documents* (Form DR-228).

Any taxpayer who paid $20,000 or more in documentary stamp tax during the most recent state fiscal year is required to pay electronically during the next calendar year.

Any person with five (5) or more taxable transactions per month must register with us. You can register to collect and report documentary stamp tax through the Department's website at **floridarevenue.com**. 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 *Florida Business Tax Application* (Form DR-1).

Penalty and Interest

Penalty - The penalty for a late tax payment is 10 percent of the tax due for each month (or fraction of a month) the payment is late, not to exceed 50 percent of the tax due. The minimum penalty for a late-filed tax return is $10.

Interest - A floating rate of interest applies to underpayments and late payments of tax. Current and prior period interest rates are posted on the Department's website.

Reference Material

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

Information, forms, and tutorials are available on the Department's website at **floridarevenue.com**.

To speak with a Department representative, call Taxpayer Services at 850-488-6800, Monday through Friday, excluding holidays.

To find a **taxpayer service center** near you, visit **floridarevenue.com/taxes/servicecenters**.

For written replies to tax questions, write to:

Taxpayer Services – MS 3-2000
Florida Department of Revenue
5050 W Tennessee St
Tallahassee FL 32399-0112

Subscribe to Receive Updates by Email from the Department. Subscribe to receive an email for due date reminders, Tax Information Publications (TIPs), or proposed rules, notices of rule development workshops, and more. Subscribe today at **floridarevenue.com/dor/subscribe**.