



Florida Department of Revenue
Tax Information Publication

TIP

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Documentary Stamp Tax - Short Sales

Documentary stamp tax is due on any document that transfers an interest in Florida real property. The tax is based on the consideration paid or given for the property interest transferred.

Consideration for a document that transfers an interest in Florida real property under a short sale does not include the amount of an indebtedness forgiven or released by a mortgagee holding a mortgage on the grantor's interest in the property.

A short sale is defined as a purchase and sale of real property in which all the following apply:

- The grantor's interest is encumbered by a mortgage or mortgages securing indebtedness in an aggregate amount greater than the purchase price paid by the grantee.
- A mortgagee releases the real property from the mortgage in exchange for a payment of less than the outstanding mortgage balance.
- The releasing mortgagee does not receive, directly or indirectly, any interest in the real property.
- The releasing mortgagee is not controlled by or related to the grantor or the grantee.

References: Subsection 201.02(11), Florida Statutes; Chapter 2010-32, Laws of Florida (Section 1, HB 109); Chapter 2010-138, Laws of Florida (Section 3, CS/HB 7157, 1st Engrossed)

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and 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.

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

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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