

## CHAPTER 2010-32

### Council Substitute for House Bill No. 109

An act relating to the excise tax on documents; amending s. 201.02, F.S.; excluding certain unpaid indebtedness from the taxable consideration for short sales of real property; defining the term “short sale”; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (11) is added to section 201.02, Florida Statutes, to read:

201.02 Tax on deeds and other instruments relating to real property or interests in real property.—

(11) The taxable consideration for a short sale transfer does not include unpaid indebtedness that is forgiven or released by a mortgagee holding a mortgage on the grantor’s interest in the property. For purposes of this subsection, the term “short sale” means a purchase and sale of real property in which all of the following apply:

(a) 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.

(b) A mortgagee releases the real property from its mortgage in exchange for a partial payment of less than the total of the outstanding mortgage indebtedness owed to the releasing mortgagee.

(c) The releasing mortgagee does not receive, directly or indirectly, any interest in the property transferred.

(d) The releasing mortgagee is not controlled by or related to the grantor or the grantee.

Section 2. This act shall take effect July 1, 2010.

Approved by the Governor May 7, 2010.

Filed in Office Secretary of State May 7, 2010.