

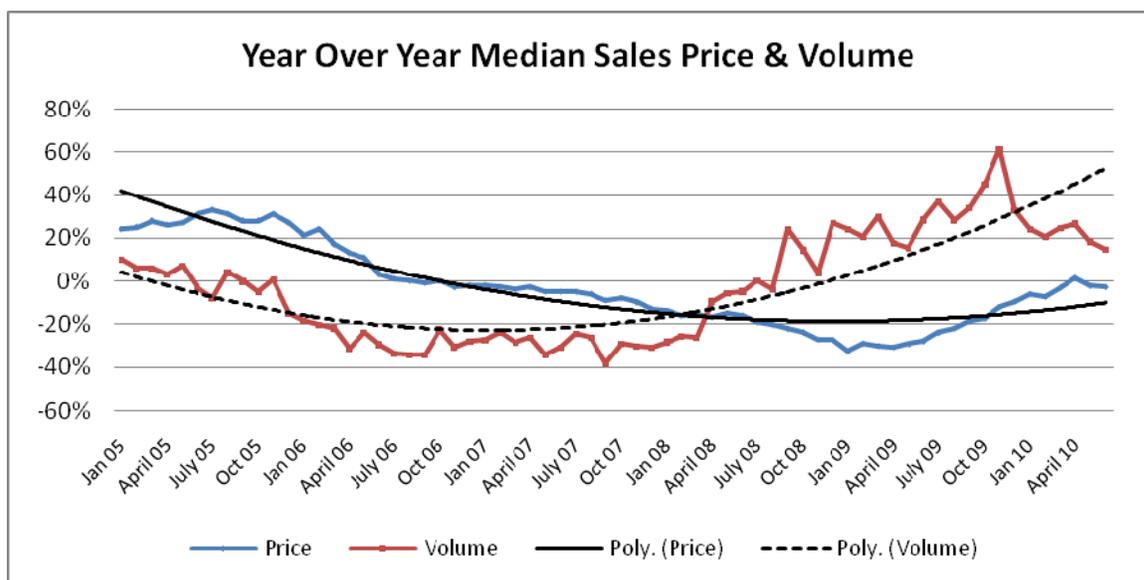
## *Executive Summary*

### *Documentary Stamp Taxes*

*(a portion of these dollars funds general revenue and the rest are associated with various trust funds)*

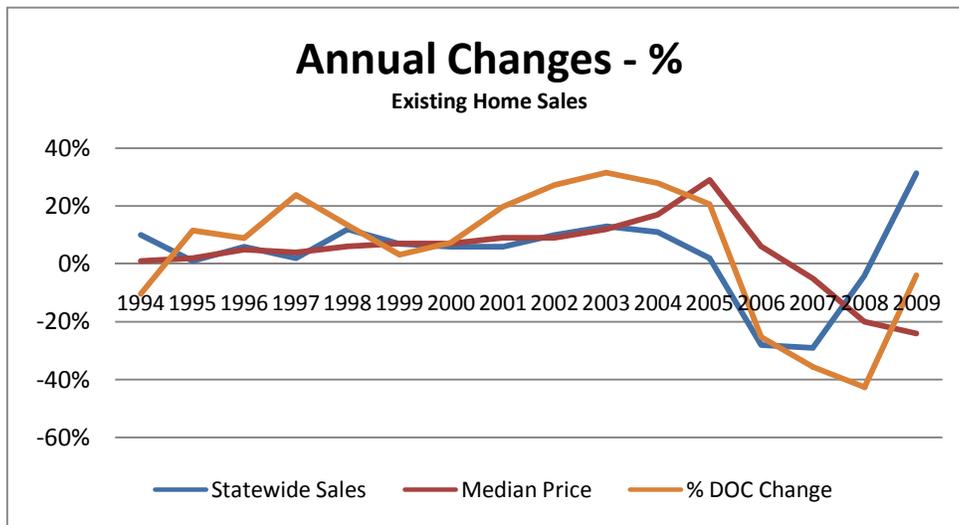
The new forecast reflects conditions that continue to prove that Florida is well below normal patterns of construction and real-estate activity. While improving, these conditions are generally expected to last throughout calendar year 2010 and the first half of calendar year 2011, before returning to more robust growth patterns in the latter half of 2011. In this regard, Fiscal Year 2010-11 receipts will only achieve 27.8 percent of the collection level at its height – the 2005-06 boom year. As the primary driver of the five-year run-up in total documentary stamp tax collections, the state of Florida’s housing market is inextricably linked to this revenue source.

The boom, characterized by double-digit growth in home sales and price appreciation, played a significant role in Florida’s past collection performance. Current data shows a mixed picture, with year-over year sales of existing homes achieving the nineteenth month of double-digit increases in June, while the average monthly sales comprised only 70.9 percent of the 2005 level for the same month. However, it appears that one-half of the sales involved distressed and foreclosed properties. Median sales prices have declined by 3 percent since last June, affecting three-quarters of the state’s metropolitan statistical areas. The peak to trough decline in the median home price for an existing home had reached its nadir at 49.2 percent in January 2010, and now stands at 44.4 percent.



According to the latest Florida Economic Conference, housing starts – albeit exhibiting positive growth – will persist at low levels through calendar year 2010 and the first half of calendar year 2011 before beginning a more significant rebound in the second half of 2011. Total construction expenditures follow a similar pattern. They do not return to the 2005-06 level within the long-range forecast horizon. Growth in private nonresidential construction is projected to stay in negative territory for the 2010-11 fiscal year; however, growth actually resumes during the summer months the 2010 calendar year.

Documentary Stamp tax collections are expected to experience sluggish growth in the near-term as the adjustment to stricter lending standards and tighter credit conditions continues. Prices will begin to stabilize – but still exert downward pressure on collections until the current housing inventory begins to clear. With the increasing level of foreclosures, this is not expected until near the end of the 2011 calendar year.



Total annual collections were greatest in Fiscal Year 2005-06 at \$4.1 billion. In comparison, the forecast for this year is only \$1.1 billion. Even so, this represents a 4.5 percent increase over last year, marking the end of four years of decline. Positive growth is expected throughout the rest of the forecast (2011-12 at 15.9 percent, followed by even stronger growth in Fiscal Year 2012-13) with more typical levels for the remainder of the forecast.

The Executive Summary released immediately after the conference indicated: Residential sales concentrated at lower price points are limiting the benefit from the higher than expected number of sales, prompting minor downward adjustments to the near-term Documentary Stamp Tax forecast. The credit market, while much improved, remains sluggish and difficult to access.

**Documentary Stamp Tax Collections and Distributions**  
**Aug-10**

Statutory %s	\$ Caps	F.S.	Statutory % Distributions	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
			Total Documentary Stamp Tax Collections	1,127.3	1,306.2	1,547.5	1,694.9	1,822.5	1,957.9	2,040.5	2,126.8	2,206.0	2,281.7
8.00%		201.15	DOR Administrative Costs	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9	10.9
		201.15	Less: General Revenue Service Charge	90.2	104.5	123.8	135.6	145.8	156.6	163.2	170.1	176.5	182.5
			Net Available for Distribution	1,026.2	1,190.8	1,412.8	1,548.4	1,665.8	1,790.4	1,866.4	1,945.8	2,018.6	2,088.3
63.31%		201.15(1)	Distribution for General Revenue and Debt Service	649.7	753.9	894.4	980.3	1,054.6	1,133.5	1,181.6	1,231.9	1,278.0	1,322.1
		201.15(1)(a)&(b)	P2000/Florida Forever/Everglades Restoration Debt Service	433.6	433.7	443.2	176.8	176.7	176.7	176.6	176.5	176.5	176.5
New % Share	\$ Caps		GR Share Available for Distribution After Debt Service	216.1	320.2	451.2	803.5	877.9	956.8	1,005.0	1,055.4	1,101.5	1,145.6
0.2300%	3.25	201.15(1)(c)	Dept. of Community Affairs Grants and Donations Trust Fund	0.5	0.7	1.0	1.9	2.0	2.2	2.3	2.4	2.5	2.6
38.2000%	541.75	201.15(1)(c)	State Transportation Trust Fund	82.6	122.3	172.4	306.9	335.4	365.5	383.9	403.2	420.8	437.6
2.1200%	30.0	201.15(1)(c)	Ecosystem Management & Restoration Trust Fund	4.6	6.8	9.6	17.0	18.6	20.3	21.3	22.4	23.4	24.3
0.0200%	0.3	201.15(1)(c)	General Inspection Trust Fund, oyster management and restoration	0.040	0.060	0.090	0.160	0.180	0.190	0.200	0.210	0.220	0.230
40.57%	657.3	201.15(1)(c)	Total Distributions From GR Share After Debt Service	87.7	129.9	183.1	326.0	356.2	388.2	407.7	428.2	446.9	464.8
		201.15(1)(d)	General Revenue by Formula After Other Distributions	128.4	190.3	268.1	477.5	521.7	568.6	597.3	627.2	654.6	680.8
		201.15(16)	Additional General Revenue due to Trust Fund Caps	17.3	21.2	39.0	65.9	101.2	141.0	166.9	192.7	216.7	239.6
		373.59(8)(a),(b),(c)	Transfer from Water Management Lands Trust Fund	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
			Total General Revenue	153.7	219.5	315.1	551.4	630.9	717.6	772.2	827.9	879.3	928.4
			Available for Other Distributions to Other Trust Funds	376.5	436.9	518.4	568.1	611.2	656.9	684.8	713.9	740.6	766.2
			10% Growth From Prior Year	4.3	16.5	22.2	13.6	11.7	12.5	7.6	7.9	7.3	7.0
Statutory %	Caps *												
7.56000%	84.9	201.15(2)	Land Acquisition Trust Fund (LATF)	71.3	79.8	80.3	79.6	79.5	79.5	79.2	79.2	79.2	79.1
1.94000%	26.0	201.15(3)	LATF - Coastal Lands Acquisition & Debt Service	8.9	12.1	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
4.20000%	60.5	201.15(4)	Water Management Lands Trust Fund	43.1	50.0	59.3	61.1	61.0	61.0	60.8	60.8	60.8	60.8
3.12752%	na	201.15(5)	Conservation and Recreation Lands (CARL) Trust Fund	32.1	37.2	44.2	48.4	52.1	56.0	58.4	60.9	63.1	65.3
0.39248%	na	201.15(5)	State Game Trust Fund (from CARL) - Land Management	4.0	4.7	5.5	6.1	6.5	7.0	7.3	7.6	7.9	8.2
2.28000%	34.1	201.15(6)	Invasive Plant Control Trust Fund	23.4	27.2	32.2	34.4	34.4	34.4	34.3	34.3	34.3	34.3
0.50000%	9.3	201.15(7)	State Game Trust Fund - Lake Restoration 2020 Program	5.1	6.0	7.1	7.7	8.3	9.0	9.3	9.3	9.3	9.3
0.25000%	na	201.15(8)	Water Quality Assurance Trust Fund	2.6	3.0	3.5	3.9	4.2	4.5	4.7	4.9	5.1	5.2
0.25000%	na	201.15(8)	General Inspection Trust Fund	2.6	3.0	3.5	3.9	4.2	4.5	4.7	4.9	5.1	5.2
3.76500%	53.5	201.15(9)(a)	State Housing Trust Fund	38.6	44.8	53.2	54.0	53.9	54.0	53.8	53.8	53.8	53.8
3.76500%	53.5	201.15(9)(b)	Local Government Housing Trust Fund	38.6	44.8	53.2	54.0	53.9	54.0	53.8	53.8	53.8	53.8
1.08250%	17.0	201.15(10)(a)	State Housing Trust Fund	11.1	12.9	15.3	16.8	17.1	17.1	17.1	17.1	17.1	17.1
7.57750%	119.0	201.15(10)(b)	Local Government Housing Trust Fund	77.8	90.2	107.1	117.3	119.9	119.9	119.6	119.6	119.6	119.5
36.69%			Subtotal Statutory % Distributions	359.2	415.7	479.4	502.2	510.0	515.9	517.9	521.2	523.9	526.6
			Effective %	35.0%	34.9%	33.9%	32.4%	30.6%	28.8%	27.7%	26.8%	26.0%	25.2%

Note:  
Effective July 1, 2007, certain of the above trust funds have their distributions capped as indicated.  
Effective July 1, 2008, when total collections increase from the prior year, distributions of capped funds are increased by 10% of the growth of total collections from the prior fiscal year, multiplied by the fund's applicable statutory percentage, except for the 201.15(3) cap, which receives no adjustment.