

**REVENUE ESTIMATING CONFERENCE**

**TAX:** Documentary Stamp Tax

**ISSUE:** Federal Government Farm Loans

**BILL NUMBER(S):** HB89/SB556

**SPONSOR(S):** Evers/Peaden

**MONTH/YEAR COLLECTION IMPACT BEGINS:** Upon becoming a law

**DATE OF ANALYSIS:** 2/10/05

**SECTION 1: NARRATIVE**

**a. Current Law:**

S.201.08(1)(a), F.S., establishes a tax of 3.5mills on promissory notes, nonnegotiable notes, written obligations of debt, and is capped at \$2,450 per document.

S.201.08 (1)(b),F.S., establishes a tax of 3.5mills on mortgages, trust deeds, security agreements, or other evidences of indebtedness filed or recorded in Florida, without a cap.

**b. Proposed Change:**

a. 201.08, F.S., is amended to provide for a documentary stamp tax exemption for loans received by Florida farmers from the USDA's Commodity Credit Corporation (CCC).

**SECTION 2: DESCRIPTION OF DATA AND SOURCES**

Loan Summary Reports – USDA, Florida State Farm Service Agency

**SECTION 3: METHODOLOGY (INCLUDE ASSUMPTIONS AND ATTACH DETAILS)**

See attached spreadsheet

**SECTION 4: PROPOSED FISCAL IMPACT**

State Impact—All Funds	FY 2005-06 Annualized	FY 2005-06 Cash	FY 2006-07 Cash
High	(\$0.65m)	(\$0.65m)	(\$0.65m)
Middle	(\$0.50m)	(\$0.50m)	(\$0.50m)
Low	(\$0.34m)	(\$0.34m)	(\$0.34m)

**SECTION 5: CONSENSUS ESTIMATE (ADOPTED 2 / 14/ 05 )** The conference adopted the middle estimate. The first year cash figures are equal to the recurring figures because the bills are effective upon becoming law.

	FY 2005-06 Annualized	FY 2005-06 Cash	FY 2006-07 Cash
General Revenue	(.3)	(.3)	(.3)
State Trust	(.2)	(.2)	(.2)
Total State Impact	(.5)	(.5)	(.5)
Total Local Impact			
Total Impact	(.5)	(.5)	(.5)

Year	Total Loans		Cane Sugar			All Else			Doc Stamp Tax @ 3.5 mills
	#	\$ m	#	\$m	Avg \$	#	\$m	Avg \$	\$
1999	114	184.7	15	182	12,133,333	99	2.7	27,273	646,450
2000	141	115.1	11	111.8	10,163,636	130	3.3	25,385	402,850
2001	293	128.7	14	122.4	8,742,857	279	6.3	22,581	450,450
2002	1363	96	11	79	7,181,818	1352	17	12,574	336,000
2003	1276	174.5	17	128.8	7,576,471	1259	45.7	36,299	610,750
2004	1293	136.3	9	79.3	8,811,111	1284	57	44,393	477,050