

## **Documentary Stamp Tax Executive Summary August 2025**

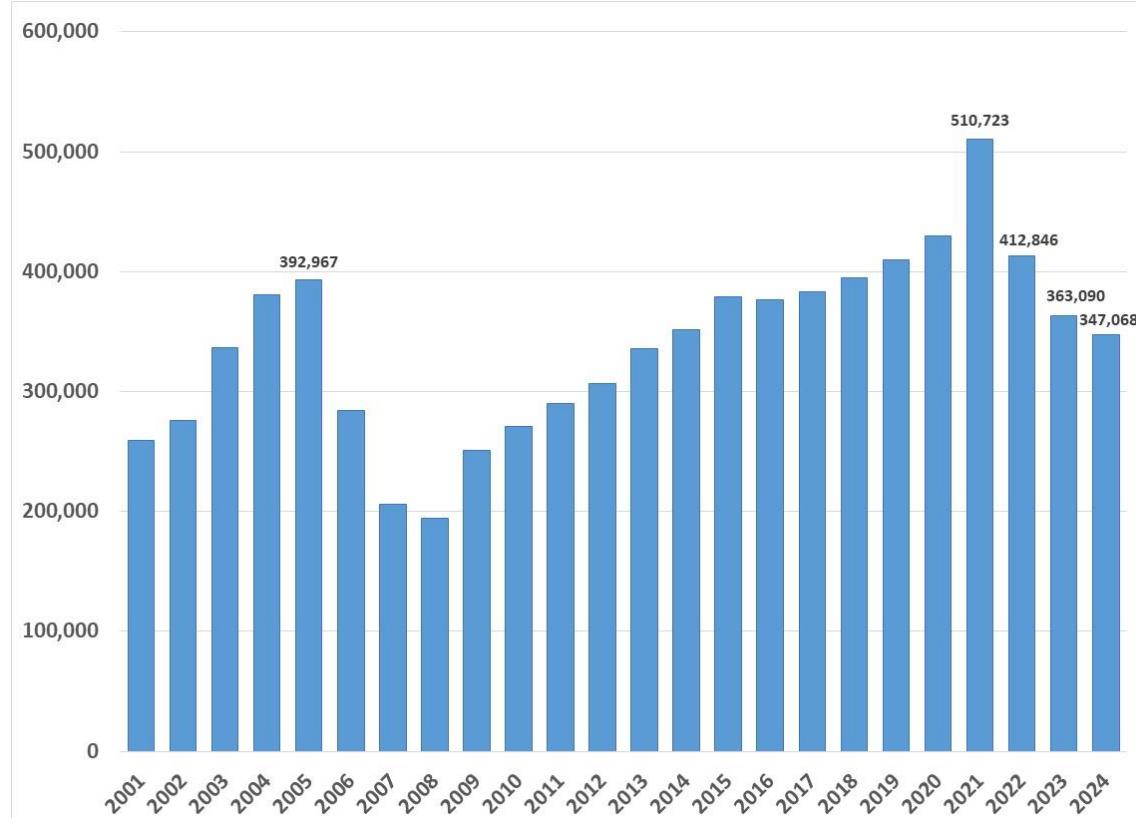
Documentary Stamp Tax collections in FY 2024-25 came in 3.5 percent higher than FY 2023-24, exceeding the previously adopted growth rate of 3.1 percent. The positive growth in total collections snapped a steep two-year decline (-27.9 percent and -7.4 percent). While collections grew, the growth rate for FY 2024-25 is more in line with year-to-year growth rates prior to the ultra-low interest rates associated with the COVID-19 years (FY 2020-21 and FY 2021-22).

Because construction activity continues to be subpar relative to the state's long-term average, attention over the past decade has focused on the market for existing homes as an upstream indicator of future construction need. All market metrics point to an existing home market that overheated as a result of the Federal Reserve's initial response to the pandemic but has now cooled off substantially after three years (2023 to 2025) of increasing and high 30-year mortgage rates.

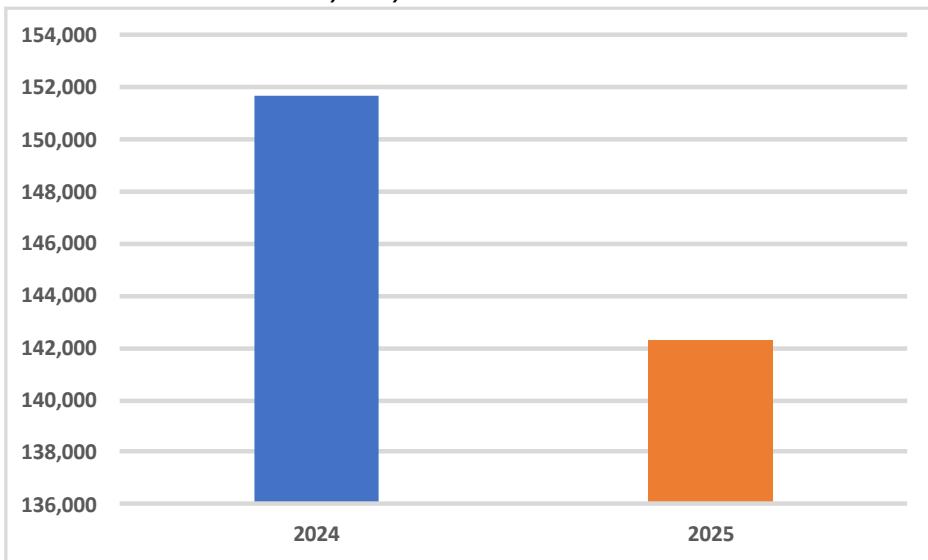
Existing home sales volume in each of the calendar years from 2018 to 2022 exceeded the 2005 peak year, but home sales in 2023 and 2024 slowed, each posting a lower level than the prior year. Sales are also down for the first five months of 2025 by approximately 6.2 percent compared to the first five months of 2024 (Figure 1A and 1B).

**Figure 1: Existing Homes Sold in Florida**

*Panel A: Homes Sold: 2001 to 2024*



Panel B: Homes Sold January-May: 2024 vs 2025



Source: July Florida Economic Estimating Conference estimates (2025).

The story is different for existing sales price (existing single-family homes). Through October 2021, Florida's existing home price gains roughly tracked national gains, but generally stayed below the national median price (see Figure 2 below). From November 2021 through June 2024, Florida's median price was at or above the national median, peaking in February 2023 at 107 percent of the national median price. Florida's median price in May of 2025 is 96.5 percent of its April 2024 peak (\$429,900) and below the national median by the greatest amount since May 2020.

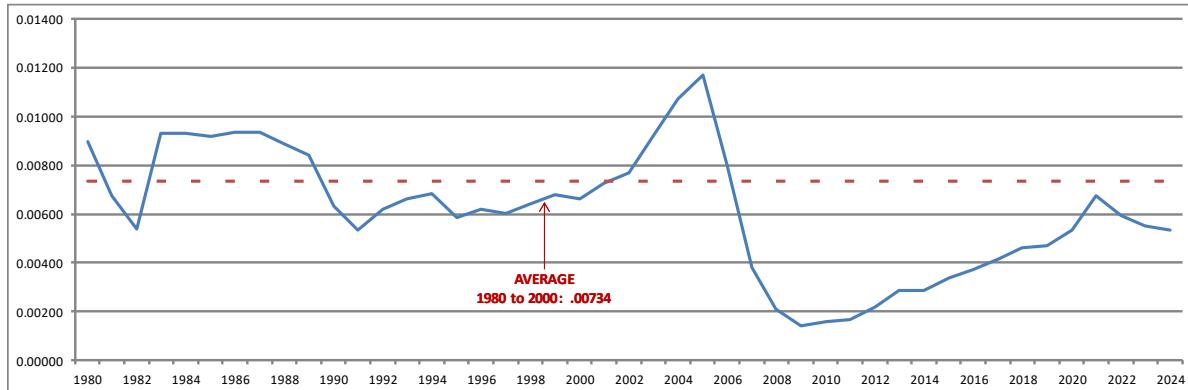
**Figure 2: Median Sales Price of Existing Single-Family Homes**



Source: July National and Florida Economic Estimating Conference estimates (2025).

The Federal Reserve's actions during the public health emergency also helped support the construction market. Despite the strong double-digit growth in eight of the ten calendar years from 2012 to 2021, the per capita level is still below historic standards for single family building permits (see Figure 3 below). With the robust growth seen in 2021, the level finally reached 92.2 percent of the long run average; however, it reduced to 81.0 percent in 2022, 75.4 percent in 2023, and further down to 72.8 percent in 2024. This was the first negative period for the series since 2006 through 2009 during the collapse of the housing market.

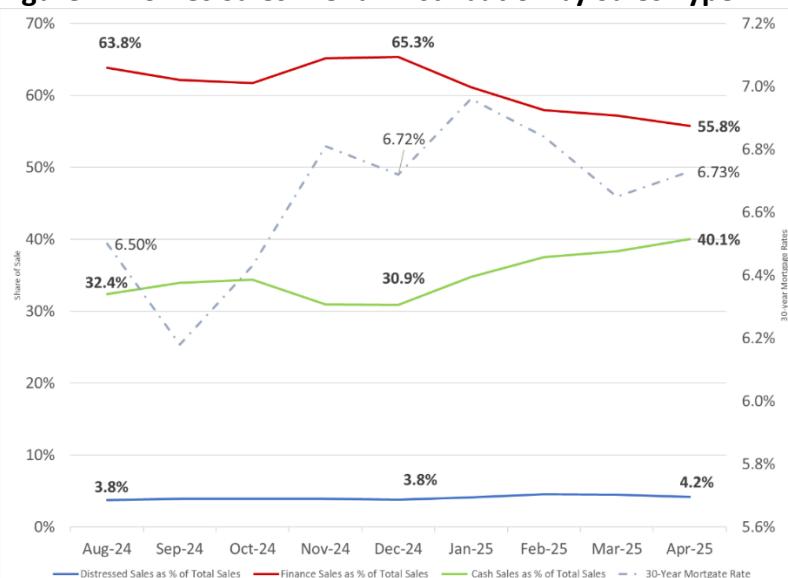
**Figure 3: Per Capita Building Permits - Single Family by Calendar Year**



Source: Florida Demographic Conference, June 2025 and Census Bureau's "Building Permits Survey".

The distinction between deeds and notes within the tax base is also a factor. While financed sales continue to have the biggest percentage of all sales (ending April 2024 with a share of 55.8 percent), the share for cash sales remains elevated—as high as 40.1 percent in April 2025 (See Figure 4). A cash sale results in a deed; it does not result in a note. This means that the feed-through to Documentary Tax Stamp taxes is muted.

**Figure 4: Homes Sales Trend- Distribution by Sales Type**

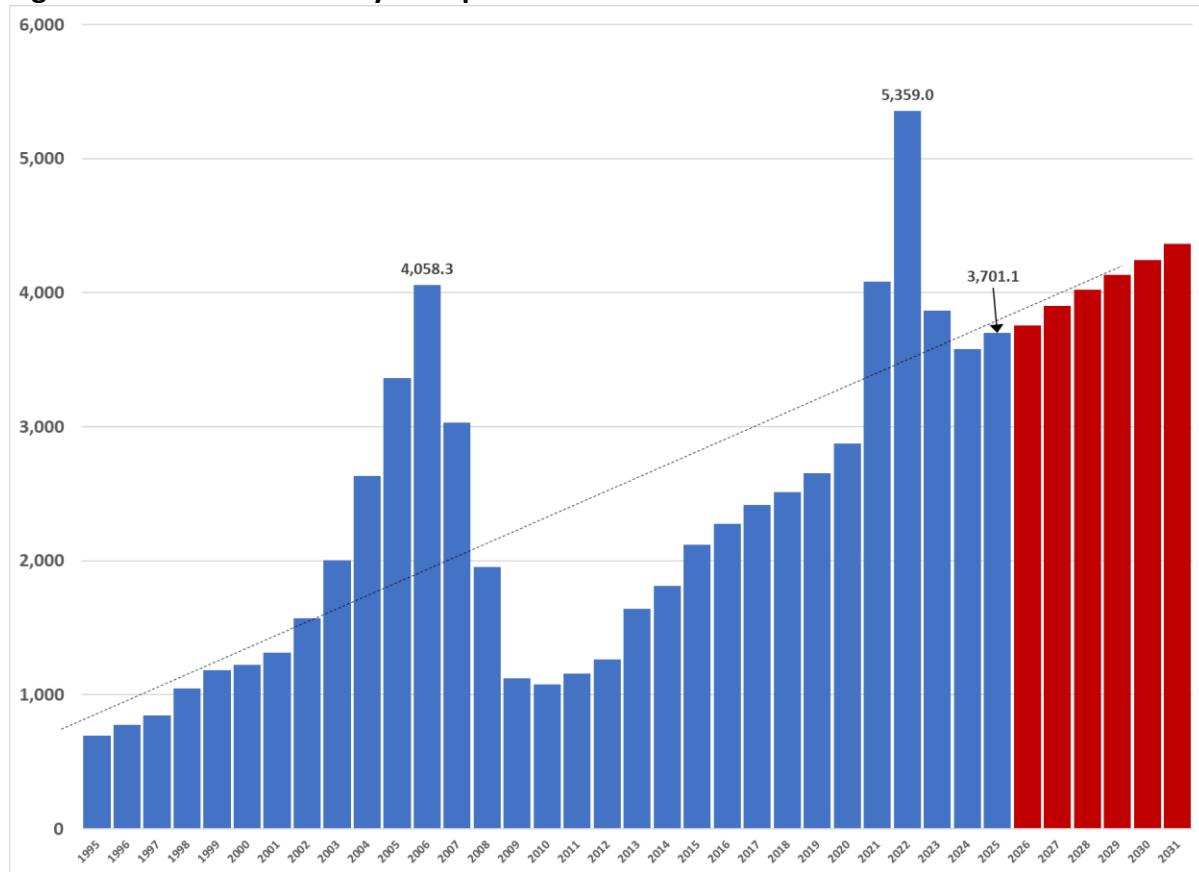


Source: Intercontinental Exchange Sales Report for Florida, August 2025 and Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States [MORTGAGE30US], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MORTGAGE30US>, August 18, 2025.

A final factor is the continued elevated interest rates from the recent historic lows. At the end of the 2023 calendar year, the 30-year mortgage fixed rate was 7.3 percent, significantly higher than the 6.5 percent recorded in June 2023. Interest rates cooled off slightly in 2024, dipping into the low 6.0 percents in September of 2024. The Mortgage Bankers Association now expects the 30-year fixed rate to be 6.7 percent by the fourth quarter of the 2025 calendar year, and to remain as high as 6.6 percent for the 2026 calendar year. These levels will likely be sufficient to leave dampened sales activity in their wake; however, should interest rates fall to approximately 6.0 percent in the 2026-2027 fiscal year, there is the potential for refinance activity that has been absent in recent years. The bulk of these homeowners would be buyers from calendar years 2023 to 2025.

With a cooling existing home market amidst persistently elevated home prices (via high interest rates and overvalued prices) as well as a weak construction market, Documentary Stamp Tax collections were 91.2 percent of the 2005-06 fiscal year peak as the 2024-25 fiscal year ended. Collections in FY 2025-26 are expected to increase by 1.5 percent to \$3.76 billion. The growth rate then increases to 3.8 percent in FY 2026-27, 3.2 percent in FY 2027-28, and moves down to 2.7 percent in FY 2028-29. For the remaining years of the forecast period, it remains between 2.7 percent and 3.0 percent of expected annual growth. See Figure 5 below for past and projected documentary stamp total collections.

**Figure 5. Total Documentary Stamp Collections: 1995 to 2031**



Source: General Revenue Estimating Conference, August 2025

Note: Years indicate end years of the Florida fiscal years (i.e., 2025 indicates 2024-2025 fiscal year).

The Table 1 below shows both the new forecast for total collections from the Documentary Stamp Tax and the constitutionally required distribution to the Land Acquisition Trust Fund. The constitutional provisions requiring the set-aside of funds into the Land Acquisition Trust Fund expire July 1, 2035. The new long-run forecast does not assume the Legislature continues this treatment beyond that date.

**Table 1: Documentary Stamp Tax Collections and Land Acquisition Trust Fund**

Documentary Stamp Tax Total Collections			Land Acquisition Trust Fund								
Fiscal Year	Total Doc Stamps	Percent Change	Total to LATF	Debt Service	Remainder LATF	Total to LATF	Debt Service	Remainder LATF	Total to LATF	Debt Service	Remainder LATF
			(New Estimates)			(Old Estimates)			(Difference)		
<b>2025-26</b>	<b>3,755.7</b>	1.5%	1,236.2	81.1	1,155.0	1,246.3	81.1	1,165.2	(10.2)	(0.0)	(10.2)
<b>2026-27</b>	<b>3,900.2</b>	3.8%	1,283.8	60.7	1,223.1	1,281.4	60.7	1,220.7	2.5	(0.0)	2.5
<b>2027-28</b>	<b>4,023.4</b>	3.2%	1,324.5	44.2	1,280.3	1,327.4	44.2	1,283.2	(2.9)	0.0	(2.9)
<b>2028-29</b>	<b>4,132.3</b>	2.7%	1,360.4	24.6	1,335.8	1,372.6	24.6	1,348.0	(12.2)	(0.0)	(12.2)
<b>2029-30</b>	<b>4,244.5</b>	2.7%	1,397.5	6.7	1,390.7	1,418.0	6.7	1,411.3	(20.6)	(0.0)	(20.6)
<b>2030-31</b>	<b>4,367.4</b>	2.9%	1,438.0	6.7	1,431.3	1,460.7	6.7	1,453.9	(22.7)	(0.0)	(22.7)
<b>2031-32</b>	<b>4,496.9</b>	3.0%	1,480.7	6.7	1,474.0	1,504.5	6.7	1,497.8	(23.8)	(0.0)	(23.8)
<b>2032-33</b>	<b>4,631.8</b>	3.0%	1,525.3	3.4	1,521.8	1,549.8	3.4	1,546.4	(24.5)	(0.0)	(24.5)
<b>2033-34</b>	<b>4,770.8</b>	3.0%	1,571.1	3.4	1,567.7	1,596.4	3.4	1,593.0	(25.3)	(0.0)	(25.3)
<b>2034-35</b>	<b>4,913.9</b>	3.0%	1,618.3	3.4	1,614.9	1,644.4	3.4	1,640.9	(26.0)	(0.0)	(26.0)
2035-36	<b>5,061.3</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2036-37	<b>5,213.1</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2037-38	<b>5,369.5</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2038-39	<b>5,530.6</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2039-40	<b>5,696.5</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2040-41	<b>5,867.4</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2041-42	<b>6,043.5</b>	3.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Estimates in bold were adopted at the General Revenue Estimating Conference (July 2025). The constitutional provisions requiring the set-aside of funds into the Land Acquisition Trust Fund expire July 1, 2035. The new long-run forecast does not assume the Legislature continues this treatment beyond that date.

Source: General Revenue Estimating Conference, August 2025

**Documentary Stamp Tax Collections and Distributions (Millions)**  
**August 15, 2025**

\* For FY 2024-25, the actual deposit to the General Revenue Fund does not add up to the total sum of general revenue calculated here (Total to General Revenue) due to timing issues related to transfers that occurred at the end of the fiscal year.

Documentary Stamp Tax Total Collections

Fiscal Year	Total Doc Stamps	Percent Change	Land Acquisition Trust Fund										
			Total to LATF	Debt Service	Remainder LATF	Total to LATF	Debt Service	Remainder LATF	Total to LATF	Debt Service	Remainder LATF		
			(New Estimates)				(Old Estimates)				(Difference)		
2020-21	4,082.8	42.0%											
2021-22	5,359.0	31.3%											
2022-23	3,864.8	-27.9%											
2023-24	3,577.4	-7.4%											
2024-25	3,701.1	3.5%											
<b>2025-26</b>	<b>3,755.7</b>	1.5%	1,236.2	81.1	1,155.0	1,246.3	81.1	1,165.2	(10.2)	(0.0)	(10.2)		
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