

Ask Your Underwriter

■ Carolyn W. Broadwater, Florida State Counsel

Question: We're seeing more deeds in lieu of foreclosure and we need to know how much to collect for documentary stamps.

Answer: Pursuant to the Florida Administrative Code, documentary stamp tax must be paid on the unpaid principal balance of the mortgage. *F.A.C. Title 12 2B-4.013* states:

"(2) Defaulting Mortgagor: Where a mortgagor, in full or partial satisfaction of the mortgage indebtedness or in lieu of foreclosure of a mortgage, conveys the mortgaged premises to the mortgagee, documentary stamp taxes are due on the transaction. The tax will be due on the unpaid portion of any mortgages or other encumbrances the property is subject to, plus any other consideration as defined in *Section 201.02(1), F.S.*, including accrued interest."



Old Republic National
Title Insurance Co.
100 S. Ashley Drive, Suite 700
Tampa, Florida 33602

PRSTD STD
U.S. Postage
PAID
Tampa, FL
Permit #3162