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April 2, 2020

The Honorable Ron DeSantis
Governor of the State of Florida
The Capitol
400 S. Monroe Street
Tallahassee, Florida 32399

RE: Requesting Documentary Stamp Tax Relief for Small Business Lending

Dear Governor DeSantis,

Thank you for your continued leadership as we seek to stay unified in our mutual effort to combat the COVID-19 pandemic and secure Florida's future. I appreciate your team's consistent communication and request for input from the Florida Chamber of Commerce regarding appropriate governmental responses to this novel threat to our citizenry, economy and way of life. As we've discussed, the Florida Chamber stands ready to continue partnering with your Administration in whatever ways are necessary over the coming weeks and months.

As I know you are aware, our partners in Congress recently passed the CARES Act, which will benefit many of our small business council members across Florida as they attempt to pay payroll, mortgages, rent and utility bills. Specifically, the CARES Act sets up the Paycheck Protection Program, which includes a loan forgiveness provision for up to 8 weeks of payroll costs. Additionally, the CARES Act eases requirements for the Economic Injury Disaster Loan so more businesses are able to qualify simply through the use of their credit score. Both programs will go a long way to keeping small businesses afloat during these unprecedented times.

However, the effectiveness of these small business loans may be diminished by Florida's documentary stamp tax on promissory notes. Florida levies a documentary stamp tax on any certificate of indebtedness or promissory note in the amount of 35 cents per \$100 in value.¹ Since 2012, this tax has been capped at \$2,450 in tax for unsecured loans. This tax will reduce the federal money received by Florida's businesses at a time when their very survival may be in question.

In 2018, the Florida Legislature expressly exempted from the documentary stamp tax any state loans to businesses under the Small Business Emergency Bridge Loan Program, triggered by a state of emergency.² If the executive authority exists, we encourage you to consider a similar position excluding SBA loans to Florida businesses from the documentary stamp tax under this current state of emergency.

¹ Section 201.08, Florida Statutes.

² Section 201.25, Florida Statutes.

Thank you for your leadership during this crucial time. The Florida Chamber of Commerce stands with you as we seek to prevent the further spread of COVID-19, focus on recovery efforts from its impact, and ensure we become an even more secure Florida when we emerge on the other side.

My best,

A handwritten signature in black ink that reads "Mark Wilson". The signature is written in a cursive, flowing style.

Mark Wilson
President and CEO

CC: Charles Caulkins, Chair, Florida Chamber of Commerce Board of Directors
Glenda Hood, Chair, Florida Chamber Small Business Council
Shane Strum, Chief of Staff, Executive Office of the Governor