

Property Tax Update

Analysis of Florida House
Property Tax Proposals

House Speaker Perez Memo Released on Thursday, October 16th

House Speaker Memo Key Points

- Speaker's Goal:
 - Move the proposals through the process
 - Provide the voters with the ability to choose “some, all, or none” of the proposals on Property Tax Reform
- Speaker's Claim: “based on the work of the select committee”



FLORIDA
ASSOCIATION OF
COUNTIES
All About Florida



House Property Tax Proposals

- 7 Joint Resolutions—need 3/5ths approval in both chambers & 60% vote
- 1 General Bill—simple majority in both chambers
- Each proposal assigned to three committees:
 - Select Committee on Property Taxes (Today)
 - State Affairs
 - Ways & Means

House Property Tax Proposals

1. All proposals contain language prohibiting affected governments from reducing funding for “*law enforcement services*”
 - Must maintain funding from FY 2026 or FY 2027, whichever is greater
2. All proposals hold school levies harmless
3. All Joint Resolutions do not have accompanying implementing legislation

House Property Tax Proposal—Impact Analysis

- On 10/31, the State Revenue Estimating Impact Conference measured the impact of the House Proposals
- Estimates in this presentation are based upon the adopted impacts and provided by FAC on a county-by-county basis.
- Cash impacts estimate first-year values county-by-county
- Recurring impacts estimate sixth-year values, or full implementation

HJR 201—Elimination of Non-school Property Tax for Homesteads

Representative Kevin Steele (Dade City/Pasco)

- Eliminates non-school homestead property taxes
- Statewide impact projection:
 - First-year: \$9 Billion
 - Sixth-year: \$11.7 Billion

HJR 203—Phased Out Elimination of Non-school Property Tax for Homesteads

Representative Monique Miller (Palm Bay/Brevard)

- Phases out non-school homestead property taxes over a ten-year period.
- Each year homeowners would receive an additional \$100,000 exemption.
- After ten years, all non-school homestead property taxes are eliminated.
- Current indexing of exemption occurs (additional growth)
- Statewide impact projection:
 - First-year: \$2.9 Billion
 - Sixth-year: \$8.6 Billion
 - Final impact: \$11.7 Billion

HJR 205—Elimination of Non-School Property Tax for Homesteads for Persons Age 65 or Older

Representative Juan Carlos Porras (Miami/Miami-Dade)

- Exempts Florida residents over the age of 65 from paying non-school homestead property taxes
- Statewide impact projection:
 - First-year: \$3.5 Billion
 - Sixth-year: \$4.6 Billion

HJR 207—Assessed Home Value Homestead Exemption of Non-school Property Tax

Representative Shane Abbott (DeFuniak Springs/Walton)

- Creates a new homestead exemption for non-school property taxes equal to 25% of the assessed value.
 - First \$25k exemption
 - \$50-\$75k exemption
 - Followed by 25% exemption
- Statewide impact projection:
 - First-year: \$2.3 Billion
 - Sixth-year: \$2.9 Billion

HJR 209—Property Insurance Relief Homestead Exemption of Non-school Property Tax

Representative Demi Busatta (Coral Gables/Miami-Dade)

- Creates an additional \$100,000 homestead exemption on non-school property taxes contingent on the owner having property insurance
- Intended to provide “property insurance relief” homestead exemption
- Statewide impact projection:
 - First-year: \$2.2 Billion
 - Sixth-year: \$2.8 Billion

HJR 211—Accrued Save-Our-Homes Property Tax Benefit for Non-school Property Tax

Representative Toby Overdorf (Palm City/Martin)

- Eliminates the 500k cap on portability, allowing the full value of the accrued benefit from Save Our Homes limitations to be transferred to a new homestead
- Applies even if new home has lesser value
- Existing portability cap still applies to school levies
- Statewide impact projection:
 - First-year: \$27 Million
 - Sixth-year: \$213 Million

HJR 213—Modification of Limitations on Property Assessment Increases

Representative Griff Griffiths (Panama City Beach/Bay)

- Limits the growth in assessed value of non-school homestead property taxes to **3% over three years** for homestead property
- Limits the growth in assessed value for non-school non-homestead property to **15% over three years**
- Statewide impact projection:
 - First-year: \$1.1 Billion
 - Sixth-year: \$3.6 Billion

HB 215—Modification of Limitations on Property Assessment Increases

Representative Jon Albert (Frostproof/Polk)

- Requires a 2/3rds vote for any increase in the millage rate
- Allows newly married couples to combine their accumulated Save Our Homes benefits
 - First-year: \$24 Million
 - Sixth-year: \$64 Million
 - Unknown behavior change; *pure* estimate