



Property Tax Protection

Policy Position Statement:

The Florida League of Cities SUPPORTS legislation that maintains an equitable property tax system while preserving a municipality's ability to fund public infrastructure, police, fire, emergency services and other essential services. Any further erosions and/or exemptions on the current property tax structure will unfairly shift the tax burden to the business community, renters and others.

Background:

General

People are moving to Florida because of the quality of life our cities provide and the strong local economies made possible by prudent infrastructure investments funded in part by property tax revenues, which are the primary source of revenue for Florida's cities, counties and school districts. With this influx of people moving to Florida, housing demand is outstripping the supply, thus driving up the price. Other factors, such as the number of available units in a particular market, the cost of construction, land procurement costs, interest rates and a variety of other factors, ultimately impact property values. Over the past several years, most of the factors have driven the costs of housing and assessed values ever higher. As property values increase, so does the assessed value of these properties. However, even as the assessed value of property increases, Florida's constitution limits the growth in property tax collections to 3% for homestead properties and 10% for all other properties. This built-in relief valve helps keep property tax increases in check. At the same time, costs to provide services to citizens continue to grow, even when the level of services is the same. Florida's cities are doing more with less, and we believe further erosion of the current property tax structure will unfairly shift the tax burden to the business community, renters and others.

2008 Florida Constitutional Amendment – Amendment 1

On January 29, 2008, Florida voters approved Amendment 1 to the state constitution, which included provisions that double the homestead exemption, allow for portability of the Save Our Homes (SOH) assessment differential, provide an exemption for tangible personal property and provide a 10% assessment cap for non-homestead property.

2022 Florida Constitutional Amendment – Amendment 3

On November 8, 2022, Amendment 3 received 58.7% of the vote, a mere 1.3% below the 60% threshold necessary to revise Florida's constitution. If it had passed, Amendment 3 would have

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authorized the Florida Legislature to provide an additional homestead property tax exemption of \$50,000 on the assessed value between \$100,000 and \$150,000, and it would have exempted that amount from all taxes other than school district taxes for homesteaded property owned by certain public service workers. Public service workers eligible for the additional exemption would have included K-12 classroom teachers, law enforcement officers, EMTs, firefighters, paramedics, active-duty members of the national military and Florida National Guard and state child welfare service employees. The fiscal impacts of the exemption were not fully known as it was not clear how many eligible individuals would have taken advantage of the proposed tax relief.