

# FLORIDA HOUSE OF REPRESENTATIVES

## FINAL BILL ANALYSIS

*This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.*

**BILL #:** [HB 7031](#) [PCB WMC 25-01](#)

**TITLE:** Taxation

**SPONSOR(S):** Duggan

**COMPANION BILL:** None

**LINKED BILLS:** None

**RELATED BILLS:** None

**FINAL HOUSE FLOOR ACTION:** 93 Y's

7 N's

**GOVERNOR'S ACTION:** Pending

### SUMMARY

#### Effect of the Bill:

- For sales tax, the bill repeals the business rent tax, creates a permanent back-to-school sales holiday for the month of August each year, exempts sales of certain disaster preparedness and other items and events, extends an exemption related to data centers for 10 years, and authorizes certain local discretionary sales surtaxes to be reduced or repealed. The bill allows Tourist Development Taxes to be used for infrastructure projects in certain counties and for beach lifeguards in all coastal counties.
- For property tax, the bill updates administrative provisions related to the value adjustment board process, creates two new affordable housing exemptions and amends three existing affordable housing provisions, provides an exemption for certain Gold Seal certified child care centers, modifies provisions related to agricultural properties, and exempts certain flight simulators from property tax.
- The bill also repeals the aviation fuel tax, delays the imposition of natural gas fuel taxes, doubles distributions made to certain medical centers from \$30 million to \$60 million annually, creates two new tax credit programs, extends a local rate freeze for communications services taxes, adopts the current Internal Revenue Code and exempts charitable trusts for corporate income tax purposes, reduces the pari-mutuel tax on cardrooms, removes a slot machine licensing fee, redirects distributions related to the horse industry and certain documentary stamp distributions, and makes other conforming, administrative, and procedural updates related to state and local taxes.

#### Fiscal or Economic Impact:

Staff estimates the total impact on state and local government revenues of the bill in Fiscal Year 2025-26 to be -\$2,039.3 million. See Revenue Impact Chart at the end of analysis for more detail.

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### ANALYSIS

#### EFFECT OF THE BILL:

##### [Sales Tax](#)

##### [Business Rent Tax](#)

The bill repeals the 2.0% business rent tax effective October 1, 2025 (Section [37](#)), and makes conforming changes (Sections [36](#), [39](#), [40](#), [42](#), [44](#), [47](#), [49](#), [50](#), [52](#), [53](#), [68](#), [71](#), [76](#), [91](#), and [92](#)).

##### [Permanent Sales Tax Exemptions](#)

##### [Annual Back-to-School Holiday](#) (Section [45](#))

The bill creates a permanent [back-to-school sales tax holiday](#) that will occur for the entire month of August each year.

- During this period the following items that cost \$100 or less are exempt from the state sales tax and county discretionary sales surtaxes:
  - Clothing (defined as an “article of wearing apparel intended to be worn on or about the human body,” but excluding watches, watchbands, jewelry, umbrellas, and handkerchiefs);

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**DATE:** 6/24/2025

- Footwear (excluding skis, swim fins, roller blades, and skates);
- Wallets; and
- Bags (including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags).
- School supplies that cost \$50 or less per item pens, pencils, erasers, crayons, notebooks, notebook filler paper, legal pads, binders, lunch boxes, construction paper, markers, folders, poster board, composition books, poster paper, scissors, cellophane tape, glue or paste, rulers, computer disks, staplers and staples used to secure paper products, protractors, and compasses.
- Learning aids and jigsaw puzzles that cost \$30 or less per item and are defined as flashcards or other learning cards, matching or other memory games, puzzle books and search-and-find books, interactive or electronic books and toys intended to teach reading or math skills, and stacking or nesting blocks or sets.
- Personal computers and related accessories with a sales price of \$1,500 or less which are purchased for noncommercial home or personal use. This includes tablets, laptops, monitors, calculators, input devices, and non-recreational software. Cell phones, furniture and devices or software intended primarily for recreational use are not exempted.

The bill provides that the back-to-school sales tax holiday does not apply to sales within a theme park or entertainment complex as defined in [s. 509.013\(9\), F.S.](#), within a public lodging establishment as defined in [s. 509.013\(4\), F.S.](#), or within an airport as defined in [s. 330.27\(2\), F.S.](#)

#### *New Sales Tax Exemptions (Section [46](#))*

The bill creates permanent sales tax exemptions for the following items that have previously been temporarily exempted in [disaster preparedness](#) and [freedom summer sales tax holidays](#):

- AA-cell, AAA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries.
- Smoke detection devices, as defined in [s. 83.51, F.S.](#)
- Carbon monoxide alarms, as defined in [s. 553.885, F.S.](#)
- Fire extinguishers, as defined in [s. 633.102, F.S.](#)
- Portable generators, which are defined as a portable engine-driven machine that converts chemical energy from the fuel powering the engine to mechanical energy, which, in turn, is converted to electrical power in the amount of 10,000 running watts or less.
- Waterproof tarpaulins and other flexible waterproof sheeting that are 1,000 square feet or less.
- Ground anchor systems and tie-down kits, which are defined as items normally sold as, or generally advertised as, ground anchor systems or tie-down kits.
- Portable gas or diesel fuel cans with a capacity of 5 gallons or less.
- Life jackets, which are defined as a personal flotation device approved by the United States Coast Guard that is intended to be worn by a person to provide buoyancy to support a person in the water.
- Bicycle helmets.
- Sunscreen, which is defined as a topical product that is primarily intended for application to the skin of a person and classified by the United States Food and Drug Administration for the purpose of absorbing, reflecting, or scattering ultraviolet radiation. The term does not include cosmetics or other products that are not primarily intended to absorb, reflect, or scatter ultraviolet radiation.
- Insect repellent, which is defined as a product registered by the United States Environmental Protection Agency which is designed to deter insects from landing on or biting a target and is intended for application to the skin of a person.

### *Sales of [Bullion](#) (Section [46](#))*

The bill provides a complete exemption from sales tax on the sale of gold, silver, and platinum bullion. Currently, pursuant to [s. 212.08\(7\)\(ww\), F.S.](#), sales of gold, silver, and platinum bullion in a single transaction are exempt from sales tax if the sales price is greater than \$500. The bill removes the \$500 threshold, thus making all sales of gold, silver, and platinum exempt from sales tax.

### *Sales Related to [Data Centers](#) (Section [46](#))*

The bill extends the date by which the Department of Revenue may issue a temporary sales tax exemption certificate to data center owners and tenant for otherwise taxable purchases related to data center construction, maintenance, power and operations. The bill also increases the power capacity of a data center from 15 megawatts to 100 megawatts of total power capacity needed to qualify for the data center sales tax exemption. The bill also adds the exemption for data centers to the reporting cycles for economic development programs evaluation of the Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability.<sup>1</sup>

### *Sales of Admissions (Section [38](#))*

The bill provides an exemption from sales tax on admissions to the NASCAR Cup Series Championship Race, sanctioned by [NASCAR](#), when held at the Homestead-Miami Speedway, including any qualifying or support races held at the same track up to 72 hours before the race.

The bill provides an exemption from sales tax on admissions to [state parks](#).

### *Hunting, Fishing, and Camping Sales Holiday (Section [98](#))*

The bill creates a temporary sales tax holiday from September 8, 2025, through December 31, 2025, for the following [outdoor recreation](#) items commonly used in hunting, fishing, and camping:

- Ammunition, as defined in [s. 790.001\(1\), F.S.](#)
- Firearms, which are defined as a weapon capable of firing a missile and includes a pistol, rifle, or shotgun using an explosive charge as a propellant.
- The following accessories used for firearms:
  - Charging handles.
  - Cleaning kits.
  - Holsters.
  - Pistol grips.
  - Sights or optics.
  - Stocks.
- Bows, which are defined as a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, for the purpose of discharging arrows; which propels arrows only by the energy stored by the drawing of the device; and which is handheld, hand-drawn, and hand-released.
- Crossbows, which are defined as a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, affixed to a stock for the purpose of discharging quarrels, bolts, or arrows; which propels quarrels, bolts, or arrows only by the energy stored by the drawing of the device; and which uses a non-handheld locking mechanism to maintain the device in a drawn or ready-to-discharge condition.
- The following accessories used for bows or crossbows:
  - Arrows.
  - Bolts.

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<sup>1</sup> Section [288.0001, F.S.](#)

- Quarrels.
- Quivers.
- Releases.
- Sights or optics.
- Wristguards.
- Camping supplies, which are defined as tents with a sales price of \$200 or less; sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less; and camping lanterns and flashlights with a sales price of \$30 or less.
- Fishing supplies, which are defined as rods and reels with a sales price of \$75 or less if sold individually, or \$150 or less if sold as a set; tackle boxes or bags with a sales price of \$30 or less; and bait or fishing tackle with a sales price of \$5 or less if sold individually, or \$10 or less if multiple items are sold together. The term does not include supplies used for commercial fishing purposes.

### [Freight Forwarding Agents](#) (Section [43](#))

The bill clarifies that a forwarding agent already registered as a sales tax dealer with the department is not required to resubmit a dealer application when applying for or renewing a forwarding agent certificate (Florida Certificate of Forwarding Agent Address).

The bill requires a forwarding agent to surrender its certificate within 30 days when:

- the forwarding agent ceases to do business,
- the forwarding agent changes addresses,
- the forwarding agent's principal business activity changes to something other than facilitating the international export of property owned by other persons, or
- the certified address ceases to be used for export under this paragraph.

The bill also makes technical changes to revise terminology of property shipped to a "certified address" rather than the "designated forwarding agent's address."

The bill defines an "[electronic database](#)" to mean the database created and maintained by the department pursuant to [s. 202.22\(2\), F.S.](#) The department must report the state sales tax rate and discretionary sales surtax rate in its electronic database for each certified address with a special five-digit zip code<sup>2</sup> provided by the United States Postal Service as zero. However, this does not apply to a certified address with a special five-digit zip code provided by the United States Postal Service if that address includes a suite address or secondary address.

Finally, the bill prohibits a dealer, with the exception of a forwarding agent required to remit tax pursuant to [s. 212.06\(5\)\(b\)\(7\), F.S.](#), from collecting sales tax on tangible personal property shipped to a certified address listed on the Department's website. The bill removes liability for dealers who rely on a certificate from a forwarding agent, the list of forwarding agents on the Department's website, or uses the Department's electronic database to verify that a purchase is exempt from tax.

These changes are effective January 1, 2026.

### [Discretionary Sales Surtaxes](#) (Section [41](#))

The bill provides express authority for a levying local government (the Board of County Commissioners or the School Board) of any discretionary sales surtax that does not have an expiration date to reduce or repeal that surtax with a two-thirds vote of the board, beginning four years after a surtax is levied. The reduced rate can be any lower rate otherwise allowable under the applicable statutory provision. A reduced or repealed rate is

<sup>2</sup> The United States Postal Service provides unique zip codes to companies, governmental agencies or entities with sufficient mail volume. See: [What is a ZIP Code™ or ZIP+4® Status / Type?](#) (last visited April 13, 2025).

effective on the January 1 following the board's vote, or on any subsequent January 1 as provided by the board.

### **Tourist Development Taxes** (Section [1](#))

The bill revises the [approved uses](#) of the Original, Additional, and High Tourism Impact tourist development taxes (TDTs) in two ways:

- The bill allows all coastal counties to use funds for the provision of beach lifeguards [certified](#) by an approved entity, and
- The bill allows coastal [fiscally-constrained counties](#) to use funds for certain [capital improvements](#).

### **Ad Valorem Taxes (Property Taxes)**

#### **Citrus Processing and Packinghouse Tangible Personal Property Assessment** (Sections [3](#) and [4](#))

The bill amends [s. 193.4516, F.S.](#), to limit the assessment of tangible personal property owned and operated by a citrus packinghouse or processor to its [salvage value](#) for the 2025 tax roll if the property is no longer used in the operation of a facility due to the effects of citrus greening.

To receive this treatment, a taxpayer must file an application with the property appraiser on or before August 1, 2025. Those applicants denied the limited assessment may petition the value adjustment board on or before the 25<sup>th</sup> day after the Truth in Millage Statement<sup>3</sup> is mailed by the property appraiser.

These sections take effect upon the bill becoming a law and apply retroactively to January 1, 2025.

#### **Agricultural Classification Extension for Farms Under State or Federal Quarantine** (Sections [5](#) and [6](#))

The bill amends [s. 193.461, F.S.](#), to extend the length of time lands may be classified as agricultural after the property is removed from production due to citrus greening or other [state or federal quarantine restrictions](#). The classification period is increased from 5 years to 10 years after the date of execution of a compliance agreement with state or federal agencies. For lands replanted with citrus, the bill also extends to 10 years the length of time a de minimis assessment may be provided.

These sections take effect upon the bill becoming a law.

### **Value Adjustment Boards**

#### **Evidence Exchange** (Section [7](#))

The bill requires the property appraiser to provide a value adjustment board (VAB) petitioner with the evidence intended to be presented at a VAB hearing at least 15 days prior to the hearing.

The bill removes the current law requirement that a petitioner must provide a written request to receive the property appraiser's evidence.

#### **Filing Fees** (Section [8](#))

The bill increases the maximum filing fee that may be required to file a petition with the VAB from \$15 per parcel to \$50 per parcel.

#### **Electronic Hearings** (Section [10](#))

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<sup>3</sup> Section [200.069, F.S.](#) and [s. 194.011\(1\), F.S.](#)

The bill amends [s. 194.032, F.S.](#) to allow any party to a VAB [hearing](#) to appear telephonically, by video conference, or by other electronic means. The bill also requires the VAB to provide sufficient equipment to allow clear communication and to create any necessary [hearing records](#).

#### *Appeal Deadline when Tax Roll is Extended* (Sections [11](#) and [12](#))

The bill amends [s. 194.171\(2\), F.S.](#) to allow a taxpayer that received a final action by the value adjustment board to bring an action within 30 days after recertification by the property appraiser if the roll was extended.

#### *Technical Correction* (Section [9](#))

The bill also corrects a statutory reference to “delinquent” taxes. It should instead refer to taxes that “would have become delinquent.” The relevant reference is to an overpayment of taxes, which (given the overpayment) cannot be delinquent.

#### [Affordable Housing](#)

The bill revises two provisions created by the [Live Local Act](#) in 2023: the Nonprofit Land Lease Exemption in [s. 196.1978\(1\)\(b\), F.S.](#) and the Missing Middle Exemption in [s. 196.1978\(3\), F.S.](#). The bill also creates two new affordable housing exemptions, and amends an affordable housing exemption for property subject to a long-term restrictive use agreement in [s. 196.1978\(4\), F.S.](#)

#### [Nonprofit Land Lease Exemption](#) (Sections [16](#) and [17](#))

The bill modifies an [exemption for charitable use](#) of property for affordable housing (the “nonprofit land lease exemption”) in [s. 196.1978\(1\)\(b\), F.S.](#), which provides an exemption for land owned by nonprofit corporations which:

- Are 501(C)(3) charities,
- Own land that they lease to natural persons or families for 99 years, to
- Provide affordable housing to persons meeting [income limitations](#) set in statute for extremely-low income, very-low-income, low income, or moderate-income persons.

The exemption will now also apply to a nonprofit, 501(c)(3) charity that leases land used for affordable housing from a [housing finance authority](#), and then subleases such property for 99 years for the purpose of providing affordable housing to persons within the restricted income limitations. Allowing the exemption for a charity that does not own the property outright, but instead leases it from a housing finance authority, may expand the pool of charities that can use this exemption.

The exemption will now also expressly apply to land that is subleased to low-income persons for their use as affordable housing.

This provision first applies to the 2026 tax roll.

#### [Missing Middle Exemption](#)- *Continuity of Ownership Issue* (Section [15](#))

The bill provides that for the exemption from ad valorem taxes found in [s. 196.1978\(3\), F.S.](#), (commonly referred to as the “Missing Middle exemption,”) that an exemption received by the owner of a project may continue to successive owners, as long as the other conditions of the subsection are met. This provision specifically applies despite any election to “[opt out](#)” of the Missing Middle exemption made by a local government.

#### *Long-Term, Low-Income Exemption – Expand to include Housing Finance Authorities* (Section [15](#) and [17](#))



The bill expands the existing exemption for [long-term, low-income housing](#) found in [s. 196.1978\(4\), F.S.](#), to include projects subject to a land use restriction agreement with a housing finance authority, rather than only including projects subject to a land use restriction agreement with the Florida Housing Finance Corporation.

#### *New Exemption for Multifamily Projects on State-Owned Land* (Sections [18](#) and [19](#))

The bill creates [s. 196.19781, F.S.](#), which provides a new property tax exemption for affordable housing projects located on [land owned by the state of Florida](#) where the improvements are owned and operated by private parties, regardless of whether such private parties are non-profit or for-profit. The project must provide at least 70 units of affordable housing for persons or families that meet the affordable housing income limitations in [s. 420.004, F.S.](#), and the property must be subject to a lease or restrictive use agreement recorded in the official records of the county requiring the property to be used for affordable housing for at least 60 years. The exemption requires an annual application and does not apply to any project receiving an [existing affordable housing exemption](#) under [s. 196.1978, F.S.](#) The new exemption is effective for the 2026 tax roll.

#### *New Exemption for New Multifamily Projects on Government-Owned Land* (Section [20](#))

The bill creates [s. 196.19782, F.S.](#), which provides a new property tax exemption for newly-constructed affordable housing projects located on land owned by a governmental entity and leased for at least 30 years for the purpose of providing affordable housing. The project must provide at least 70 units of affordable housing for persons or families that meet the affordable housing income limitations in [s. 420.004, F.S.](#), and the property must be subject to a lease or restrictive use agreement recorded in the official records of the county requiring the property to be used for affordable housing for at least 30 years. The new exemption is effective for the 2026 tax roll, and is repealed December 31, 2061.

#### Gold Seal Child Care Facilities Property Tax Exemption (Sections [21](#) and [22](#))

The bill amends [s. 196.198, F.S.](#), to exempt property used for [educational purposes](#) when any portion of real property is used by a child care facility that has achieved [Gold Seal Quality status](#). The property is deemed owned by such facility and used for an educational purpose if, under a lease, the operator of a facility is responsible for payment of ad valorem taxes. The owner of the property must disclose to the lessee child care facility operator the total amount of the benefit derived from the exemption and the method for ensuring that the operator receives the benefit.

Amendments made to [s. 196.198, F.S.](#), take effect July 1, 2025, and first apply to the 2026 tax roll.

#### Tangible Personal Property Tax

##### *Leased Flight Simulation Training Devices* (Sections [13](#) and [14](#))

The bill provides that any Federal Aviation Administration [qualified flight simulation training device](#), and the equipment and software necessary to operate it, is considered owned by a governmental unit if the device reverts to the governmental unit upon the expiration of the lease and the governing body of the governmental unit has approved the lease in writing. This governmental ownership allows the property to qualify for an [ad valorem exemption for governmental entities](#) so there is no [tangible personal property tax](#) levied on the device.

This provision first applies to the 2026 tax roll.

#### **Fuel Taxes**

##### [Aviation Fuel Tax](#)

The bill repeals the motor fuel tax on aviation fuel, including aviation gasoline, aviation turbine fuels, and kerosene. It does this by repealing Part III of Chapter 206, Florida Statutes, comprised of the following statutes: [s. 206.9815, F.S.](#), [s. 206.9825, F.S.](#), [s. 206.9826, F.S.](#), [s. 206.9835, F.S.](#), [s. 206.9837, F.S.](#), [s. 206.9845, F.S.](#), [s. 206.9855, F.S.](#), [s. 206.9865, F.S.](#) and [s. 206.9875, F.S.](#) (Section [27](#))

The bill creates [s. 206.9925\(9\), F.S.](#) to define aviation fuel to mean fuel for use in aircraft, and includes aviation gasoline and aviation turbine fuels and kerosene. (Section [29](#))

The bill creates s. 212.08(4)(a)5., F.S., to clarify that aviation fuel continues to be exempt from sales and use tax. (Section [48](#))

The bill also makes conforming changes where necessary. (Sections [2](#), [26](#), [28](#), [30](#), [34](#), [35](#), [55](#), [69](#), and [70](#))

These changes take effect January 1, 2026.

#### Natural Gas Fuel Tax (Sections [31](#), [32](#), and [33](#))

The bill provides for a delay of the imposition of the [scheduled tax](#) on [natural gas fuel](#) that would have begun at a reduced [rate](#) January 1, 2026, and have been fully implemented on January 1, 2027. The bill changes the effective date of the imposition of these taxes to January 1, 2030, for the reduced rate, and January 1, 2031, for the full implementation. The bill also makes conforming changes related to registration and return filing provisions.

These changes take effect upon becoming law.

#### Communications Services Taxes

The bill extends the [current freeze](#) on rate increases for [local communications services taxes](#) (CST) from January 1, 2026 to January 1, 2031. (Section [24](#))

The bill also requires local governments to prioritize the use of local CST revenue for the timely review, processing, and approval of permit applications for the use of rights of way by providers, similar to the use of the [permit fees](#) replaced by CST. (Section [24](#))

#### Corporate Income Tax

##### Adoption of the Internal Revenue Code (Sections [60](#) and [61](#))

The bill updates the Florida corporate income tax code by adopting the [Internal Revenue Code](#) (IRC) as amended and in effect on January 1, 2025. This section of the bill is effective upon becoming law and applies retroactively to January 1, 2025.



## Charitable Trusts (Sections [62](#) and [63](#))

The bill excludes [charitable trusts](#) from the definition of a corporation. As a result, charitable trusts will not be [taxpayers](#) subject to Florida Corporate Income Tax on their [unrelated business taxable income](#) for taxable years beginning on or after January 1, 2026.

## **Tax Credit Programs**

### Strong Families Tax Credit Program (Section [78](#))

For the [Strong Families Tax Credit](#), the bill amends [s. 402.62, F.S.](#), to require a copy of the eligible charitable organization's most recent federal Internal Revenue Service Return of Organization Exempt from Income Tax form ([Form 990](#)), if required to be filed.

### Home Away From Home Tax Credit Program (Sections [59](#), [64](#), [79](#), [85](#), [87](#), [88](#), [89](#), and [99](#))

The bill creates [s. 402.63, F.S.](#), establishing the Home Away From Home Tax Credit Program (Program). The Program allows a credit against Corporate Income Tax, Insurance Premium Tax, or Alcoholic Beverage Taxes, for contributions made to entities that provide low-cost or no-cost [housing to family members of critically ill children receiving medical treatment](#). One hundred percent of the contributions must be used to expand or construct facilities for housing such family members. The credit is limited to \$13 million in each fiscal year, and no new applications may be approved for state fiscal years after the 2031-32 fiscal year.

The bill authorizes the unused amount of an approved tax credit to be carried forward for a period not to exceed 10 years, and prevents the credit from being transferred except as part of a sale of the taxpayer's entire business or to a member of an affiliated corporation. The bill creates credit-related provisions in new sections 220.18775, 561.12135, and [624.51059, F.S.](#)

The bill provides administrative responsibilities for the Department of Health, the Department of Revenue, and the charitable organizations that receive the contributions. The bill authorizes the Department of Revenue, the Department of Business and Professional Regulation's Division of Alcoholic Beverages and Tobacco, and the Department of Health to develop a cooperative agreement to assist in the administration of the Program, as needed, and to adopt permanent rules for administration of the credit.

The bill provides emergency rulemaking authority and a non-recurring appropriation from the General Revenue Fund to the Department of Revenue to implement the new tax credit.

### Rural Community Investment Program (Sections [54](#), [59](#), [65](#), [66](#), [67](#), and [87](#))

The bill creates the Rural Community Investment Program (RCIP) within the Department of Commerce. The RCIP allows a credit against corporate income tax or insurance premium taxes based on the amount of a taxpayer's investment in a [rural fund](#). The rural fund must then invest contributions into businesses in rural or agricultural areas.

On or before November 1, 2025, the Department of Commerce must begin accepting applications for the program. Beginning in fiscal year 2025-2026, the tax credit cap amount for the program is \$7 million in each state fiscal year, excluding any credits carried forward. The department may not approve a cumulative amount of tax credits that may result in the claim of more than \$35 million in tax credits during the existence of the program.

The bill provides specific guidance on applications, approvals, certifications, contributions, and credit administration. The bill also adds the RCIP to the reporting cycles for economic development programs evaluation of the Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability.<sup>4</sup>

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<sup>4</sup> Section [288.0001, F.S.](#)

These sections take effect July 1, 2025.

## **Pari-Mutuel Taxes**

### **Cardroom Taxes (Section 90)**

The bill reduces the pari-mutuel [cardroom tax](#) rate on the monthly gross receipts of [cardroom operators](#) from 10 percent to 8 percent.

### **Slot Machine Licensing (Section 82 and 83)**

The bill removes the requirement for a thoroughbred permitholder to pay an annual license fee to the Florida Gaming Commission as a condition for renewal of a [slot machine license](#).

### **Intertrack Wagering Tax on Handle (Section 81)**

The bill provides that the tax on [handle for intertrack wagering](#) is 0.5 percent if the host track and guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder that conducted a full schedule of live racing the preceding fiscal year.

## **Local Incentives** (Section 37)

The bill preserves enterprise zone boundaries in existence before December 31, 2015, for the purpose of allowing local governments to administer [local incentive programs](#). Specifically, the program allows for local incentive program benefits to continue through December 31, 2035, for multi-phase projects that vested on or before December 31, 2021.

## **Distributions**

### **Sales Tax Distribution (Section 86)**

The bill redirects a \$5 million [distribution](#) made out of the Florida Agricultural Promotional Campaign Trust Fund for the [promotion of the Florida Horse Industry](#). Instead of going to the Florida Thoroughbred Breeders' Association, Inc. (FTBA), that money will be distributed between Tampa Bay Downs, Inc. (\$1 Million) and Gulfstream Park Racing Association, Inc. (\$4 million). The bill also makes conforming statutory changes to remove references to the FTBA.

### **Beverage Tax Distribution (Section 84)**

The bill increases the [existing monthly distributions](#) from [Alcoholic Beverage and Tobacco tax collections](#) to certain [medical research](#) centers and programs from a total annual distribution of \$30 million to a total annual distribution of \$60 million, allocated as follows:

- \$20 million to the University of Miami Sylvester Comprehensive Cancer Center;
- \$20 million to the Mayo Clinic Comprehensive Cancer Center in Jacksonville;
- \$10 million to the Brain Tumor Immunotherapy Program at the University of Florida Health Shands Cancer Center; and
- \$10 million to the Norman Fixel Institute for Neurological Diseases at the University of Florida.

These funds may be used for constructing, furnishing, equipping, financing, operating, and maintaining research and clinical and related facilities; and furnishing, equipping, operating, and maintaining other properties owned or leased by these medical research centers and programs. Funds may not be used to secure bonds or other forms of indebtedness, and cannot be pledged for debt service.

## Documentary Stamp Tax Distribution

The bill amends [s. 201.15, F.S.](#), to change the distribution of [documentary stamp taxes](#) by redirecting a portion of the collections that are currently deposited in state trust funds and deposits those revenues in the General Revenue Fund. The bill reinstates the [general revenue service charge](#) previously assessed on the documentary stamp tax which eliminates a \$150 million distribution to the [State Housing Trust Fund](#). This additional distribution was time-limited between 2023 to 2033, and allocated for housing programs as provided in [s. 420.50871, F.S.](#) (Section [23](#))

The bill amends [s. 420.50871, F.S.](#), to retain the existing required uses for funds but to make such funds subject to annual appropriation, rather than being funded through an automatic distribution. (Section [80](#))

The bill also amends [s. 201.15, F.S.](#), to redirect the distribution of [documentary stamp tax proceeds from the Department of Transportation](#) to General Revenue in the amount of \$106.7 million by removing the required distribution in each fiscal year to the [State Transportation Trust Fund](#) for the [New Starts Transit Program](#), and by reducing the distribution to the [Transportation Regional Incentive Program](#) by \$60 million that would otherwise have been allocated to the [Florida Rail Enterprise](#). (Section [23](#))

The bill also makes conforming changes. (Sections [57](#), [58](#), [72](#), [74](#), [75](#), [77](#), [93](#), [94](#), and [95](#))

## Fiscally Constrained Counties – General Revenue Distributions (Section [100](#))

The bill appropriates \$500,000 in non-recurring General Revenue to offset reductions in property tax revenue experienced by [fiscally constrained counties](#) for [property tax refunds](#) that were required to be issued to taxpayers whose residential property was rendered uninhabitable for 30 days or more by a [catastrophic event](#). The bill creates an application process for such fiscally constrained counties and authorizes the Department of Revenue to distribute the appropriated funds to those counties after receiving the necessary documentation. The Department of Revenue is authorized to adopt emergency rules to implement this section of the bill.

## **Tax Administration**

### Preparation for Audit (Sections [25](#) and [51](#))

The bill creates [s. 202.34\(4\)\(f\), F.S.](#) and [s. 212.13\(5\)\(f\), F.S.](#), to clarify that the Department of Revenue may, at any time, respond to contact initiated by a taxpayer to discuss an [audit](#). Those provisions also provide that the Department may examine, at any time, documentation and other information voluntarily provided by the taxpayer, information it already has in its possession or other publicly available information. Such examination does not commence an audit within 60 days of the notice of intent to conduct an audit.

### Technical Correction (Section [56](#))

The bill amends [s. 213.37\(2\), F.S.](#), to correct a cross reference from [s. 92.525\(1\)\(b\), F.S.](#) to [s. 92.525\(1\)\(c\), F.S.](#)

### Property Tax Study (Section [97](#))

The bill requires the Office of Economic and Demographic Research (EDR) to conduct a study of the property tax structure of this state and the expenditure of property tax revenues by recipient local governments and political subdivisions and focus on the taxation of homestead property. EDR is required to submit a report by November 1, 2025, to the President of the Senate and the Speaker of the House of Representatives detailing the study's findings and options.

The primary purpose of the study is to analyze the potential impact of eliminating or significantly reducing ad valorem assessments on homestead property and provide policy options for mitigating negative fiscal

consequences.

Based on the research, data, and analysis, EDR must develop a series of findings and an array of policy options, including changes to the State Constitution or statute, for eliminating or reducing the property tax burden on homestead property in this state while mitigating any reductions to services Floridians deem essential to quality of life.

EDR may contract as needed with state universities, nationally recognized organizations, and tax policy experts for the purpose of developing findings and policy options to be included in the report. The Department of Revenue shall provide any data or technical assistance required by the EDR to complete the study.

The sum of \$1,000,000 in nonrecurring funds from the General Revenue Fund is appropriated to EDR for the purpose of conducting the study.

Except as otherwise provided, the bill is effective July 1, 2025.

#### **RULEMAKING:**

The bill provides permanent and emergency rulemaking authority to the Departments of Commerce and Revenue for the implementation of the new Rural Community Investment Program. The bill provides permanent and emergency rulemaking authority to the Department of Revenue to implement the new Home Away From Home Tax Credit, and provides permanent rulemaking authority to the Department of Health and the Department of Business and Professional Regulation for that credit program, as well. The bill also provides emergency rulemaking authority to the Department of Revenue for the repeal of the business rent tax and related changes, for the new Hunting, Fishing, and Camping sales tax holiday, and for the distribution to fiscally constrained counties related to a property tax refund.

***Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.***

#### **FISCAL OR ECONOMIC IMPACT:**

##### **STATE GOVERNMENT:**

Staff estimates the total recurring impact of the bill in Fiscal Year 2025-26 on state revenues to be -\$1,284.0 million, of which -\$998.2 million is on General Revenue and -\$285.8 million is on state trust funds. See the chart at the end of the analysis for further details.

##### **LOCAL GOVERNMENT:**

Staff estimates the total recurring local impact of the bill in Fiscal Year 2025-26 to be -\$709.6 million. See the chart at the end of the analysis for further details.

## RELEVANT INFORMATION

### SUBJECT OVERVIEW:

#### [Sales Tax](#)

Florida's sales and use tax is a six percent levy on retail sales of a wide array of tangible personal property, admissions, transient lodgings, and commercial real estate rentals,<sup>5</sup> unless expressly exempted. Generally, the sales tax is added to the price of a taxable good and collected by the dealer from the purchaser at the time of sale.

Sales tax represents the majority of Florida's General Revenue (projected 73.9 percent for FY 2024-25)<sup>6</sup> and is administered by the Department of Revenue (DOR) under chapter 212, F.S. Sales tax revenue is distributed via a formula found in section [212.20, F.S.](#), with roughly 89.6% going to the General Revenue Fund, 10.3% going to local governments,<sup>7</sup> and the remainder being distributed to specified trust funds or sports facilities. For FY 2025-26, the Revenue Estimating Conference estimates that sales tax collections under chapter 212, F.S., will result in more than \$41 billion of total revenue, with distributions to the General Revenue Fund of roughly \$37.7 billion.<sup>8</sup>

#### [History of Florida's Sales Tax](#)

Until 1949, Florida had no sales tax, and instead relied on a combination of motor fuel taxes, alcoholic beverage taxes, cigarette taxes, insurance premium taxes, gross receipts taxes, documentary stamp taxes, pari-mutuel taxes, and license fees to fund necessary state operations and services.<sup>9</sup>

In a special (then called "extraordinary") session from September 7-24, 1949, the Florida Legislature adopted a 3% tax on the privilege of engaging in the business of renting certain real property, selling admissions to certain places of amusement, and selling tangible personal property, in the "Florida Revenue Act of 1949."<sup>10</sup> The initial tax was effective November 1, 1949,<sup>11</sup> and the adopting act exempted certain necessities like groceries;<sup>12</sup> soap, soap powder, and detergents;<sup>13</sup> inexpensive clothing;<sup>14</sup> prescription medications and common household remedies; as well as items like school books and lunches; newspapers; electricity; motor vehicles; and sales to or by the government.<sup>15</sup>

In 1957, the exemption for inexpensive clothing and several other exemptions were removed, and a 1% sales tax on motor vehicles was adopted.<sup>16</sup>

In 1968, the Legislature increased the sales tax rate from 3% to 4% on most goods, increased the rate on motor vehicles from 1% to 3%, and imposed a 4% tax on the sale of electricity and the rental of commercial offices and buildings, parking and docks, and certain other items.<sup>17</sup> These changes were effective April 1, 1968, and were . In

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<sup>5</sup> Commercial real estate rentals are subject to a 2.0% sales tax pursuant to [section 212.031\(1\)\(c\), F.S.](#)

<sup>6</sup> The Office of Economic and Demographic Research (EDR), [2024 Florida Tax Handbook](#), p. 16 (last visited March 29, 2025).

<sup>7</sup> The local government distributions include the Local Government Half-Cent Sales Tax Clearing Trust Fund under [section 218.61, F.S.](#), county and municipal revenue sharing trust funds under [section 218.215, F.S.](#), emergency distributions under [section 218.65, F.S.](#), and a shift of a specified amount to counties that used to be funded from pari-mutuel revenues pursuant to [section 212.20\(6\)\(d\)6.a., F.S.](#)

<sup>8</sup> Revenue Estimating Conference on [General Revenue](#), held March 14, 2025 (last visited March 30, 2025).

<sup>9</sup> C. H. Donovan, Florida's State and Local Tax Structure, [13 Fla. L. Rev. 518](#) (1960) (last visited March 29, 2025).

<sup>10</sup> [Chapter 26319, L.O.F.](#) (1949)

<sup>11</sup> [Section 212.23, F.S. \(1949\)](#)

<sup>12</sup> [Section 212.08\(1\), F.S. \(1949\)](#)

<sup>13</sup> [Section 212.08\(11\), F.S. \(1949\)](#)

<sup>14</sup> [Section 212.08\(4\), F.S. \(1949\)](#); exempted articles of clothing selling for \$10 or less

<sup>15</sup> [Section 212.08\(3\), F.S. \(1949\)](#)

<sup>16</sup> [Chapter 57-398, L.O.F.](#)

<sup>17</sup> [Chapter 68-27, L.O.F.](#)

1971, the Legislature began taxing motor vehicles at the statewide 4% rate.<sup>18</sup>

In 1982, the Legislature increased the general sales tax rate from 4% to 5%, with half of the increase (the “local government half-cent sales tax”) pledged to cities and counties to help with property tax relief.<sup>19</sup>

In 1986, to increase revenue available for the state budget,<sup>20</sup> the Legislature broadened the sales and use tax to include the sale of services.<sup>21</sup> The taxing of services, beginning July 1, 1987, was a substantial and immediately unpopular change.<sup>22</sup> After a series of special sessions on the issue, the Legislature repealed the services tax and instead increased the general sales tax rate from 5% to 6%, effective January 1, 1988.<sup>23</sup>

In addition to these major rate changes, some items were subject to tax at different rates over the years. For example, the purchase of farm equipment used for plowing, planting, cultivating or harvesting crops, adopted at 2% in 1963,<sup>24</sup> and increased to 3% in 1969,<sup>25</sup> continued at 3% until it was decreased to 2.5% in 2000,<sup>26</sup> and made fully exempt in 2005.<sup>27</sup>

### [Business Rent Tax](#)

Tax is due on the rental of all real property pursuant to [s. 212.031, F.S.](#), other than agricultural, residential, or certain other property specified in [s. 212.031\(1\)\(a\), F.S.](#) This tax is commonly referred to as the Business Rent Tax, and applies to all consideration due and payable by the tenant for the right to use or occupy real property.<sup>28</sup> The rate applicable to these charges is based on the time that the tenant uses, occupies, or is entitled to use or occupy the real property, regardless of when the rental payments are made.<sup>29</sup> If the tenant makes payments such as mortgage, ad valorem taxes, or insurance on behalf of the property owner, such payments are also classified as rent and are subject to the tax.

Commercial real property includes land, buildings, office or retail space, convention or meeting rooms, airport tie-downs, and parking and docking spaces. It may also include licenses granting the use of real property for the placement of vending, amusement, or newspaper machines. However, there are numerous commercial rentals that are not subject to sales tax, including:

- Rentals of real property assessed as agricultural;
- Rentals to nonprofit organizations that hold a current Florida consumer's certificate of exemption;
- Rentals to federal, state, county, or city government agencies;
- Properties used exclusively as dwelling units; and
- Public streets or roads used for transportation purposes.

Charges for the rental of real property by businesses were first made subject to the sales tax in 1968, at the rate of

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<sup>18</sup> [Chapter 71-360, L.O.F.](#)

<sup>19</sup> [Chapter 82-154, L.O.F.](#)

<sup>20</sup> Florida Department of Revenue, "[The Impact of Ch. 86-166, Laws of Florida, 1986](#)" (1986). Walter Hellerstein Papers. 4., p. 2 (last visited March 29, 2025).

<sup>21</sup> [Chapter 86-166, L.O.F.](#)

<sup>22</sup> See, e.g., Vicki L. Weber, Florida's Fleeting Sales Tax on Services, [15 Fla. St. U. L. Rev. 613](#) (1987) (last visited March 29, 2025), and "[Tax Repeal on Services In Florida Widely Felt](#)," New York Times, Dec. 25, 1987, (last visited March 29, 2025).

<sup>23</sup> [Chapter 87-548, L.O.F.](#)

<sup>24</sup> [Chapter 63-526, L.O.F.](#)

<sup>25</sup> [Chapter 68-27, L.O.F.](#), made permanent in [Chapter 69-222, L.O.F.](#)

<sup>26</sup> [Chapter 2000-276, L.O.F.](#)

<sup>27</sup> [Chapter 2005-197, L.O.F.](#)

<sup>28</sup> Section [212.031\(1\)\(c\), F.S.](#)

<sup>29</sup> Section [212.031\(1\)\(e\), F.S.](#)



4%.<sup>30</sup> When the general sales tax rate increased to 5%<sup>31</sup> and then 6%,<sup>32</sup> charges for commercial rent increased to those same rates.

In 2017, the Legislature reduced the tax on charges for commercial rent from 6% to 5.8%, effective January 1, 2018.<sup>33</sup> The following year, the rate was again reduced, from 5.8% to 5.7%, effective January 1, 2019.<sup>34</sup> In 2019, the rate was reduced to 5.5%, effective January 1, 2020.<sup>35</sup> In 2023, the Legislature further reduced the rate from 5.5% to 4.5%, effective December 1, 2023.<sup>36</sup>

In 2021, the Legislature approved a reduction to the business rent tax from the then-levied rate of 5.5% to 2%, effective the first day of the second month after the Office of Economic and Demographic Research notifies the Department of Revenue that the Unemployment Compensation Trust Fund has reached its pre-pandemic balance<sup>37</sup>. This notification happened in April 2024, resulting in the business rent tax rate lowering to 2% beginning June 1, 2024.<sup>38</sup>

Florida is the only state to charge sales tax on commercial rentals of real property.

### [Sales Tax Holidays](#)

Since 1998, the Legislature has enacted more than two dozen temporary periods (commonly called “sales tax holidays”) during which certain household items, household appliances, clothing, footwear, books, and/or school supply items were exempted from the state sales tax and county discretionary sales surtaxes.

### [Back to School Sales Tax Holiday](#)

Florida has enacted a “back-to-school” sales tax holiday twenty-two times since 1998. The length of the exemption periods has varied from three to fourteen days. The type and value of exempt items has also varied. The table on the following page describes the history of back-to-school sales tax holidays in Florida.

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<sup>30</sup> [Chapter 68-27, L.O.F.](#)

<sup>31</sup> [Chapter 82-154, L.O.F.](#)

<sup>32</sup> [Chapter 87-548, L.O.F.](#)

<sup>33</sup> Section 21 of [Chapter 2017-36, L.O.F.](#)

<sup>34</sup> Section 33 of [Chapter 2018-118, L.O.F.](#)

<sup>35</sup> Section 5 of [Chapter 2019-42, L.O.F.](#)

<sup>36</sup> Section 22 of [Chapter 2023-157, L.O.F.](#)

<sup>37</sup> See section 14 of [Chapter 2021-2, L.O.F.](#) as amended by section 46 of Chapter [2021-31, L.O.F.](#)

<sup>38</sup> The Office of Economic & Demographic Research, [Unemployment Compensation Trust Fund Forecast](#) (last visited June 17, 2025).

Dates	Length	TAX EXEMPTION THRESHOLDS				
		Clothing/ Footwear	Wallets/ Bags	Books/ Learning Aids/ Puzzles	Computers	School Supplies
August 15-21, 1998	7 days	\$50 or less	N/A	N/A	N/A	N/A
July 31-August 8, 1999	9 days	\$100 or less	\$100 or less	N/A	N/A	N/A
July 29-August 6, 2000	9 days	\$100 or less	\$100 or less	N/A	N/A	N/A
July 28-August 5, 2001	9 days	\$50 or less	\$50 or less	N/A	N/A	\$10 or less
July 24-August 1, 2004	9 days	\$50 or less	\$50 or less	\$50 or less (Books)	N/A	\$10 or less
July 23-31, 2005	9 days	\$50 or less	\$50 or less	\$50 or less (Books)	N/A	\$10 or less
July 22-30, 2006	9 days	\$50 or less	\$50 or less	\$50 or less (Books)	N/A	\$10 or less
August 4-13, 2007	10 days	\$50 or less	\$50 or less	\$50 or less (Books)	N/A	\$10 or less
August 13-15, 2010	3 days	\$50 or less	\$50 or less	\$50 or less (Books)	N/A	\$10 or less
August 12-14, 2011	3 days	\$75 or less	\$75 or less	N/A	N/A	\$15 or less
August 3-5, 2012	3 days	\$75 or less	\$75 or less	N/A	N/A	\$15 or less
August 2-4, 2013	3 days	\$75 or less	\$75 or less	N/A	\$750 or less	\$15 or less
August 1-3, 2014	3 days	\$100 or less	\$100 or less	N/A	First \$750 of the sales price	\$15 or less
August 7-16, 2015	10 days	\$100 or less	\$100 or less	N/A	First \$750 of the sales price	\$15 or less
August 5-7, 2016	3 days	\$60 or less	\$60 or less	N/A	N/A	\$15 or less
August 4-6, 2017	3 days	\$60 or less	\$60 or less	N/A	\$750 or less	\$15 or less
August 3-5, 2018	3 days	\$60 or less	\$60 or less	N/A	N/A	\$15 or less
August 2-6, 2019	5 days	\$60 or less	\$60 or less	N/A	\$1,000 or less	\$15 or less
August 7-9, 2020	3 days	\$60 or less	\$60 or less	N/A	First \$1,000 of the sales price	\$15 or less
July 31-August 9, 2021	10 days	\$60 or less	\$60 or less	N/A	First \$1,000 of the sales price	\$15 or less
July 25-August 7, 2022	14 days	\$100 or less	\$100 or less	\$30 (Learning Aids/Puzzles)	\$1,500 or less	\$50 or less
July 24-August 6, 2023; Jan 1-14, 2024	14 days each	\$100 or less	\$100 or less	\$30 (Learning Aids/Puzzles)	\$1,500 or less	\$50 or less
July 29-August 11, 2024	14 days	\$100 or less	\$100 or less	\$30 (Learning Aids/Puzzles)	\$1,500 or less	\$50 or less

## [Disaster Preparedness Sales Tax Holiday](#)

Since 2006, the Legislature has enacted eleven sales tax holidays related to disaster preparedness. During the disaster preparedness sales tax holidays authorized in 2024, the following were among the items exempt from the state sales tax and county discretionary sales surtaxes:

- A tarpaulin or other flexible waterproof sheeting selling for \$100 or less;
- An item normally sold as, or generally advertised as, a ground anchor system or tie-down kit selling for \$100 or less;
- A gas or diesel fuel tank selling for \$50 or less;
- A package of AA-cell, AAA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, excluding automobile and boat batteries, selling for \$50 or less;
- A portable generator used to provide light or communications or preserve food in the event of a power outage selling for \$3,000 or less;
- Reusable ice selling for \$20 or less;
- A portable power bank selling for \$60 or less;
- A smoke detector or smoke alarm selling for \$70 or less;
- A fire extinguisher selling for \$70 or less; and
- A carbon monoxide detector selling for \$70 or less.

## [Freedom Sales Tax Holidays](#)

In 2021 and 2022, the Legislature enacted a seven-day “Freedom Week” sales tax holiday during the week surrounding the Fourth of July on specified recreational items and activities. In 2023, the Legislature enacted a 3-month long “Freedom Summer” sales tax holiday on similar specified recreational items and activities. In 2024, the Legislature enacted a one-month similar sales tax holiday which exempted from the state sales tax and county discretionary sales surtaxes the following items, among other things:

- Life Jackets selling for \$70 or less;
- Bicycle helmets selling for \$50 or less;
- Sunscreen selling for \$15 or less; and
- Insect repellant selling for \$15 or less

## [Bullion](#)

Bullion refers to precious metals (such as gold, silver, platinum, or palladium) that are refined to at least 99.5% purity and are often molded into bars, ingots, or coins. Its value is from the containment of precious metals and not its value as exchange in currency.

Under current law, the sale of gold, silver, and platinum bullion with a single transaction price of more than \$500 is exempt.<sup>39</sup>

## [Data Centers](#)

A data center provides a central location for a business to house all of the necessary computer hardware—servers, server racks, cables and other infrastructure, and cooling components—and computer software required to, “organize, process, store and disseminate large amounts of data.”<sup>40</sup> Currently, more than 100 data centers and colocation data centers are located in Florida. The majority of data centers located in Florida are in South Florida, Orlando, Tampa, and Jacksonville.<sup>41</sup>

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<sup>39</sup> Section [212.08\(7\)\(ww\), F.S.](#)

<sup>40</sup> TechTarget, [Definition, data center](#) (last visited June 18, 2025).

<sup>41</sup> [Florida Data Centers Locations](#) (last visited June 18, 2025).

In 2017, the legislature adopted a provision that exempts from sales and use tax data center property purchased, rented, or leased by a data center's owners and tenants when used to construct, maintain, and operate computer server equipment at a data center.<sup>42</sup> The data center's owners and tenants must make a cumulative capital investment of \$150 million and the data center must have at least 15 megawatts of total power capacity and at least 1 megawatt of power capacity dedicated to each individual owner and tenant of the data center. Additionally, a datacenter must meet the requisite investment requirements no later than June 30, 2027, must submit to subsequent periodic review by DOR to assure continued qualification, and is subject to revenue clawback provisions if it utilizes the tax exemption and is not qualified. As of March 31, 2025, no data centers have applied for or received this exemption.<sup>43</sup>

## [NASCAR](#)

The National Association for Stock Car Auto Racing (NASCAR) is an American motorsport organization responsible for sanctioning races involving modified stock cars. NASCAR races draw millions of fans to its events and broadcasts. Its premier competition, the NASCAR Cup Series holds a season-final race. After being held in Homestead-Miami between 2002 through 2019, the Cup Series Championship was held in Arizona. Beginning in 2026, NASCAR will launch a rotational Championship Weekend, alternating the finale location with Homestead-Miami selected to return as the first venue in this rotation.<sup>44</sup>

In 2022, the Legislature created a sales tax exemption on admissions to the Daytona 500, including any qualifying or support races held at the same track up to 72 hours before the race.<sup>45</sup>

## [Florida State Parks](#)

The Division of Recreation and Parks (DRP) within the Department of Environmental Protection (DEP) is responsible for overseeing Florida's 175 state parks, spanning more than 800,000 acres and 100 miles of coastline.<sup>46</sup> For regulatory purposes, the state is divided into five park regions.<sup>47</sup> As part of overseeing the state parks, DRP is responsible for preserving, managing, and protecting all parks and recreational areas held by the state.<sup>48</sup> This includes studying the recreational needs of the state and disseminating information about recreation opportunities.<sup>49</sup> Popular recreational activities in state parks include hiking, bicycling, camping, kayaking, canoeing, swimming, fishing, and birding.<sup>50</sup> DRP also has the authority to acquire property in the name of the state to fulfill conservation and recreational goals.<sup>51</sup> Additionally, DRP works with the Division of Historical Resources of the Department of State to select and designate sites of historic interest within state parks.<sup>52</sup>

The DRP has the authority to charge fees for admission into Florida state parks, including annual passes.<sup>53</sup> The

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<sup>42</sup> Section 26 of [Chapter 2017-36, L.O.F.](#)

<sup>43</sup> When adopting an impact for a similar proposed change to the exemption for data centers, the Revenue Estimating Conference was informed by the Department of Revenue that no taxpayer has applied for or received this exemption as of March 31, 2025. See [Impact Analysis from April 30, 2025](#) (last visited June 18, 2025).

<sup>44</sup> NASCAR, "NASCAR Championship Weekend to Transition to Rotation Model Beginning in 2026," NASCAR.com, May 6, 2025, <https://www.nascar.com/news-media/2025/05/06/nascar-championship-weekend-to-transition-to-rotation-model-beginning-in-2026/>.

<sup>45</sup> Section 19 of [Chapter 2022-97, L.O.F.](#)

<sup>46</sup> DEP, [Division of Recreation and Parks](#) (last visited June 18, 2025).

<sup>47</sup> Section 258.001, F.S.

<sup>48</sup> Section 258.004(2), F.S.

<sup>49</sup> Section 258.004(3), F.S.

<sup>50</sup> DEP, [Division of Recreation and Parks](#) (last visited June 18, 2025).

<sup>51</sup> Section 258.007(1), F.S.

<sup>52</sup> Section 258.007(5), F.S.

<sup>53</sup> Section [258.014, F.S.](#)

DRP's official fee schedule<sup>54</sup> provides fee information for daily admission, museum and overnight accommodation fees for Florida State Parks. Included are different fees for single-occupant vehicle or motorcycle admission, per vehicle admission, pedestrian admission, and bus tour admission. Also included are fees for various types of annual passes, including individual, family, commercial and Veteran's annual passes.

### [Outdoor Recreation](#)

Outdoor recreation in Florida, including fishing, hunting, wildlife viewing, and camping, generates billions of dollars in economic impact each year and supports tens of thousands of jobs across the state. Saltwater and freshwater fishing generates \$13.8 billion in annual economic impact for Florida and supports 120,000 jobs.<sup>55</sup> Hunting provides another \$1.6 billion annual economic impact and supports 14,673 jobs.<sup>56</sup> Florida leads all states in economic impacts for its marine recreational fisheries,<sup>57</sup> and there are over 2.3 million Florida residents who are angler fishermen.<sup>58</sup> State parks, including campgrounds, also have a significant impact on Florida's economy. They are estimated to have a total direct impact of \$3.6 billion, supporting over 50,000 jobs.<sup>59</sup>

### [Freight Forwarding Agents](#)

A forwarding agent is a person or business whose principal business activity is facilitating for compensation the export of property owned by other persons.<sup>60</sup> Forwarding agents or freight forwarders organize, assemble and consolidate international shipments and assume responsibility for the transportation of those shipments.<sup>61</sup>

The law defines a forwarding agent as a dealer,<sup>62</sup> which makes a forwarding agent subject to the provisions governing all sales tax dealers in the state. In general, a person desiring to engage in or conduct business in this state must register as a dealer<sup>63</sup> and must file with the department an application for a certificate of registration as a sales tax dealer.<sup>64</sup>

Forwarding agents involved in international export may apply to the Department of Revenue for a Florida Certificate of Forwarding Agent Address. The application must include the forwarding agent's location and export activities, including a list of designated addresses used for exportation outside of the United States. Each certificate expires five years after issue and requires the forwarding agent to update the application if changes occur regarding the information in the application.<sup>65</sup>

Tangible personal property delivered by a dealer to a licensed exporter or common carrier for export outside Florida is not subject to sales tax.<sup>66</sup> A dealer who sells tangible personal property tax-exempt for international export may either accept a valid copy of the Florida Certificate of Forwarding Agent Address in good faith or rely on the Department's list of designated forwarding agent addresses and ship the items to the address listed on the certificate. The dealer would then not be responsible for any tax owed on those sales during the certificate's valid

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<sup>54</sup> [Florida State Parks Fee Schedule](#) (last visited June 18, 2025).

<sup>55</sup> Florida Fish and Wildlife Conservation Commission (FWC), "[Economic Value of Saltwater Fishing in Florida](#)" (last visited June 18, 2025).

<sup>56</sup> FWC, "[Economics](#)" (last visited June 18, 2025).

<sup>57</sup> FWC, "[Economic Impact of Outdoor Recreation](#)" (last visited June 18, 2025).

<sup>58</sup> FWC, "[Overview – Fast Facts](#)" (last visited June 18, 2025).

<sup>59</sup> Florida Department of Environmental Protection, "[2022–2023 Economic Impact Assessment Report](#)" (last visited June 18, 2025).

<sup>60</sup> See International Federation of Freight Forwarders Associations [About Freight Forwarding](#) (last visited April 7, 2025).

<sup>61</sup> See Federal Motor Carrier Safety Administration [What are the definitions for motor carrier, broker and freight forwarder authorities?](#) (last visited April 7, 2025).

<sup>62</sup> Section [212.06, F.S.](#)

<sup>63</sup> Section [212.18\(3\), F.S.](#)

<sup>64</sup> See Florida Dep't of Revenue, General Tax, Florida Sales and Use Tax, [Registration and Accounts](#) (last visited April 7, 2025).

<sup>65</sup> Section [212.06\(5\), F.S.](#)

<sup>66</sup> Section [212.06\(5\)\(a\)1., F.S.](#)

period.

As of April 7, 2025, there were 484 unique combinations of certified forwarding agent names and addresses on the list.<sup>67</sup>

### [Electronic Database](#)

Section [202.22, F.S.](#), section [175.1015, F.S.](#), and section [185.085, F.S.](#), require the Department of Revenue to maintain an electronic database, referred to as Florida's Address/Jurisdiction Database. This electronic database allows users to find tax rates by county or for any Florida address.<sup>68</sup> While primarily required by statute for use in determining the applicable communications services tax rate under chapter 202 and applicable local insurance premium taxes under chapters 175 and 185, F.S., the database also provides sales tax information, including applicable discretionary sales surtaxes under [s. 212.055, F.S.](#), and tourist development tax special district information.<sup>69</sup>

### [Discretionary Sales Surtaxes](#)

Counties have been granted limited authority to levy discretionary sales surtaxes for specific purposes on all transactions occurring in the county subject to the state sales tax in ch. 212, F.S., and on communications services as defined in ch. 202, F.S.<sup>70</sup> A discretionary sales surtax is based on the rate in the county where the taxable goods or services are sold, or delivered into, and is levied in addition to the state sales and use tax of 6%. The surtax does not apply to the sales price above \$5,000 on any item of tangible personal property.

Approved purposes for levying a surtax include:

- Operating a regional transportation system in a charter county;<sup>71</sup>
- Financing local government infrastructure projects;<sup>72</sup>
- Providing additional revenue for specified small counties;<sup>73</sup>
- Providing medical care for indigent persons;<sup>74</sup>
- Funding trauma centers;<sup>75</sup>

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<sup>67</sup> See Florida Dep't of Revenue's [List of Approved Forwarding Agents](#) (last visited April 7, 2025).

<sup>68</sup> See <https://pointmatch.floridarevenue.com/Default.aspx> (last visited April 12, 2025).

<sup>69</sup> See [User's Guide for the Address/Jurisdiction Database](#), p. 3 (last visited April 12, 2025).

<sup>70</sup> The tax rates, duration of the surtax, method of imposition, and proceeds uses are individually specified in [s. 212.055, F.S.](#) General limitations, administration, and collection procedures are set forth in [s. 212.054, F.S.](#)

<sup>71</sup> Section [212.055\(1\), F.S.](#)

<sup>72</sup> Section [212.055\(2\), F.S.](#)

<sup>73</sup> Section [212.055\(3\), F.S.](#) Note that the small county surtax may be levied by extraordinary vote of the county governing board if the proceeds are to be expended only for operating purposes.

<sup>74</sup> Section [212.055\(4\)\(a\), F.S.](#) (for counties with more than 800,000 residents); [s. 212.055\(7\), F.S.](#) (for counties with fewer than 800,000 residents).

<sup>75</sup> Section [212.055\(4\)\(b\), F.S.](#)



- Operating, maintaining, and administering a county public general hospital;<sup>76</sup>
- Constructing and renovating schools;<sup>77</sup>
- Providing emergency fire rescue services and facilities;<sup>78</sup> and
- Funding pension liability shortfalls.<sup>79</sup>

Current rates range from 0.5% to 2.0% in each of the 65 counties currently levying one or more surtaxes.<sup>80</sup> Many of the taxes have restrictions on what combination of taxes can be levied by a single county at one time.<sup>81</sup>

Fiscal Year 2023-24 levies for these taxes were as follows:

Surtax	Statute	Counties Levying/ Can Levy <sup>82</sup>	2023-24 Statewide Revenue <sup>83</sup>
Charter County Regional Transportation	<a href="#">s. 212.055(1), F.S.</a>	3/23	\$1.07 Billion
Local Gov't Infrastructure	<a href="#">s. 212.055(2), F.S.</a>	26/67	\$2.32 Billion
Small County	<a href="#">s. 212.055(3), F.S.</a>	30/31	\$211 Million
Indigent Care (divided by population)	<a href="#">s. 212.055(4)(a), F.S.</a> and <a href="#">212.055(7), F.S.</a>	1/8 (greater than 800k); 5/58 (fewer than 800k)	\$195 Million; \$88 Million
Trauma Center	<a href="#">s. 212.055(4)(b), F.S.</a>	0/58	\$195 Million
County General Hospital	<a href="#">s. 212.055(5), F.S.</a>	1/1	\$403 Million
School Construction	<a href="#">s. 212.055(6), F.S.</a>	30/67	\$1.56 Billion
Emergency Fire Rescue Services	<a href="#">s. 212.055(8), F.S.</a>	1/65	\$311, 042
Pension Liability	<a href="#">s. 212.055(9), F.S.</a>	0/26 <sup>84</sup>	\$-

Most local discretionary sales surtaxes may only be approved by referendum, while some may be approved by a vote of the county commission.<sup>85</sup> Some of the surtaxes have set periods of time that they can be enacted for before requiring reenactment, others have no such specified time limit. The Charter County and Regional Transportation System Surtax in [s. 212.055\(1\), F.S.](#), for example, is currently limited to 30 years if adopted on or after July 1, 2020.

### [Tourist Development Taxes](#)

The Local Option Tourist Development Act<sup>86</sup> authorizes counties to levy five separate taxes on transient rental<sup>87</sup> transactions (tourist development taxes or TDTs) for specified purposes, all of which are generally related to the tourism industry.

<sup>76</sup> Section [212.055\(5\), F.S.](#)

<sup>77</sup> Section [212.055\(6\), F.S.](#)

<sup>78</sup> Section [212.055\(8\), F.S.](#)

<sup>79</sup> Section [212.055\(9\), F.S.](#)

<sup>80</sup> Dept. of Revenue, [Discretionary Sales Surtax Information for Calendar Year 2025](#), Form DR-15DSS (last visited March 9, 2025).

<sup>81</sup> See, e.g., sections [212.055\(4\)\(a\)6., F.S.](#), [212.055\(5\)\(f\), F.S.](#), and [212.055\(9\)\(g\), F.S.](#)

<sup>82</sup> See EDR, [2024 Local Discretionary Sales Surtax Rates in Florida's Counties](#) (last visited Apr 7, 2025).

<sup>83</sup> Revenue Estimates taken from the Legislative Office of Economic and Demographic (EDR), [2023 Local Government Financial Information Handbook](#), pp. 169-199 (last visited March 16, 2025).

<sup>84</sup> The Pension Liability Surtax has been approved in a referendum to take effect in Duval County no later than January 1, 2031, but is not currently levied. See [Duval County Ordinance 2017-257-E](#) (last visited Mar. 24, 2025).

<sup>85</sup> See generally [s. 212.055, F.S.](#); but see [s. 212.055\(3\), F.S.](#) (small county surtax may be approved by extraordinary vote of the county commission as long as surtax revenues are not used for servicing bond indebtedness), and [s. 212.055\(5\), F.S.](#) (county public hospital surtax may be approved by extraordinary vote of the county commission).

<sup>86</sup> Section [125.0104, F.S.](#)

<sup>87</sup> Section [125.0104\(3\)\(a\)\(1\), F.S.](#) considers "transient rental" to be the rental or lease of any accommodation for a term of six months or less.

Depending on a county's eligibility to levy such taxes, the maximum potential tax rate varies:

- The original TDT may be levied at the rate of 1 or 2 percent.<sup>88</sup>
- An additional 1 percent tax may be levied by counties who have previously levied the original TDT at the 1 or 2 percent rate for at least three years.<sup>89</sup>
- A high tourism impact tax may be levied at an additional 1 percent.<sup>90</sup>
- A professional sports franchise facility tax may be levied up to an additional 1 percent.<sup>91</sup>
- An additional professional sports franchise facility tax no greater than 1 percent may be imposed by a county that has already levied the professional sports franchise facility tax.<sup>92</sup>

TDTs are levied in 62 of 67 counties with total combined rates ranging from 2% to 6%.<sup>93</sup>

Fiscal Year 2023-24 levies for these taxes were as follows:

Tax	Statute	Counties Levying/ Can Levy <sup>94</sup>	2023-24 Statewide Revenues <sup>95</sup>
Original TDT	<a href="#">s. 125.0104(3)(c), F.S.</a>	62/67 (all at 2%)	\$709 Million
Additional TDT	<a href="#">s. 125.0104(3)(d), F.S.</a>	56/59	\$291 Million
High Tourism Impact TDT	<a href="#">s. 125.0104(3)(m), F.S.</a>	10/14	\$201 Million
Pro Sports TDT	<a href="#">s. 125.0104(3)(l), F.S.</a>	46/67	\$330 Million
Additional Pro Sports TDT	<a href="#">s. 125.0104(3)(n), F.S.</a>	36/65	\$252 Million

### [TDT Approved Uses](#)

TDTs may be used only for purposes specified in law, and such uses depend on which of the five TDTs are being levied.

All five TDTs may be used to promote and advertise tourism in the State of Florida, nationally, and internationally.<sup>96</sup>

The Original, Additional, and High Tourism Impact TDTs may also be used for the following by all counties:

- To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more:
  - publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums.<sup>97</sup>
  - auditoriums that are publicly owned and open to the public but operated by a 501(c)(3) organization.<sup>98</sup>
  - aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public.<sup>99</sup>
- To promote zoological parks that are publicly owned and operated, or owned and operated by not-for-profit organizations and open to the public;<sup>100</sup>

<sup>88</sup> Section [125.0104\(3\)\(c\), F.S.](#)

<sup>89</sup> Section [125.0104\(3\)\(d\), F.S.](#)

<sup>90</sup> Section [125.0104\(3\)\(m\), F.S.](#)

<sup>91</sup> Section [125.0104\(3\)\(l\), F.S.](#)

<sup>92</sup> Section [125.0104\(3\)\(n\), F.S.](#)

<sup>93</sup> EDR, [2023 Local Government Financial Information Handbook](#), pp. 255-256 (last visited April 10, 2025).

<sup>94</sup> EDR, Local Option Tourist Taxes [County Tax Rates: CY 2007-2025](#) (last visited April 10, 2025).

<sup>95</sup> EDR, [2023 Local Government Financial Information Handbook](#), p. 259 (last visited April 10, 2025).

<sup>96</sup> Section [125.0104\(5\)\(a\)4, F.S.](#), Section [125.0104\(3\)\(l\)4, F.S.](#), and Section [125.0104\(3\)\(n\)2, F.S.](#)

<sup>97</sup> Section [125.0104\(5\)\(a\)1.a., F.S.](#)

<sup>98</sup> Section [125.0104\(5\)\(a\)1.b., F.S.](#)

<sup>99</sup> Section [125.0104\(5\)\(a\)1.c., F.S.](#)

<sup>100</sup> Section [125.0104\(5\)\(a\)2., F.S.](#)

- To fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus as county agencies or by contract; including any indirect administrative costs for services performed by the county on behalf of the promotion agency;<sup>101</sup>
- To finance beach park facilities, or beach, channel, estuary, or lagoon improvement, maintenance, renourishment, restoration, and erosion control, including construction of beach groins and shoreline protection; and to finance the enhancement, cleanup, or restoration of inland lakes and rivers to which there is public access; as those uses relate to the physical preservation of the beach, shoreline, channel, estuary, lagoon, or inland lake or river.<sup>102</sup>
- To secure and liquidate revenue bonds, or issue refunding bonds, for any of the purposes available above to all counties, other than tourism promotion or the funding of tourism related centers or bureaus.<sup>103</sup>

The Original, Additional, and High Tourism Impact TDTs may also be used for certain other activities by counties meeting specific requirements:

- Zoos, Fishing Piers, and Nature Centers.  
A county with a population under 950,000 may use TDT revenues to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more zoological parks, fishing piers or nature centers which are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public.<sup>104</sup>
- Public Safety Services.  
A county adjacent to the Gulf of Mexico or the Atlantic Ocean, other than Monroe County, which either:
  - Is a fiscally constrained county, or
  - Generates at least \$10 million in TDTs, has at least three municipalities, and has a population of less than 275,000, can:

Use up to 10 percent of the tax revenue received pursuant to this section to reimburse expenses incurred in providing public safety services, which are needed to address impacts related to increased tourism and visitors to an area. The Board of County Commissioners and Tourist Development Council must approve this use.<sup>105</sup>

- [Capital Improvements](#).  
A county that:
  - Received at least \$10 million in TDT taxes the previous year,
  - Has 2/3rds of the governing body approve proposed use,
  - Ensures no more than 70% of the cost will be paid for with TDT revenue,
  - Spends at least 40% of all TDT revenue in the county to promote and advertise tourism, and
  - Solicits an independent professional analysis that demonstrates the positive impact on tourism, may:

Acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or finance major capital improvements that have a life expectancy of 5 or more years, including, but not limited to, transportation, sanitary sewer, solid waste, drainage, potable water, and pedestrian facilities. <sup>106</sup>

The Professional Sports and Additional Professional Sports TDTs may be used:

1. To pay the debt service on bonds issued to finance the construction, reconstruction, or renovation of a

<sup>101</sup> Section [125.0104\(5\)\(a\)3, F.S.](#)

<sup>102</sup> Section [125.0104\(5\)\(a\)5, F.S.](#)

<sup>103</sup> Section [125.0104\(5\)\(d\), F.S.](#)

<sup>104</sup> Section [125.0104\(5\)\(b\), F.S.](#)

<sup>105</sup> Section [125.0104\(5\)\(c\), F.S.](#)

<sup>106</sup> Section [125.0104\(5\)\(a\)6, F.S.](#)

- professional sports franchise facility,<sup>107</sup> or
2. To pay the debt service on bonds issued for the acquisition, construction, reconstruction, or renovation of a retained spring training franchise facility.<sup>108</sup>

The Professional Sports TDT may also be used for the construction, reconstruction, renovation, operation, and maintenance of a convention center.<sup>109</sup>

### [Lifeguard Certification](#)

To serve as a lifeguard at a public swimming pool in the state of Florida, a person must be certified by the American Red Cross, the Y.M.C.A., or another nationally recognized aquatic training program.<sup>110</sup> They must be currently certified in lifeguarding, first aid, and cardiopulmonary resuscitation.

### [Fiscally Constrained Counties](#)

Fiscally constrained counties are counties entirely within a rural area of opportunity or where a 1 mill levy would raise no more than \$5 million in annual tax revenue.<sup>111</sup> A “rural area of opportunity” is a rural community or a region, as designated by the Governor, that has been adversely affected by an extraordinary economic event, a severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact.<sup>112</sup>

Florida’s fiscally constrained counties are Baker, Bradford, Calhoun, Columbia, Desoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, and Washington.<sup>113</sup>

### [Ad Valorem Taxes \(Property Taxes\)](#)

The ad valorem tax, or “property tax,” is an annual tax levied by local government. The Florida Constitution prohibits the state from levying ad valorem taxes on real and tangible personal property,<sup>114</sup> and instead authorizes local governments, including counties, school districts, and municipalities to levy ad valorem taxes. Special districts may also be given this authority by law.<sup>115</sup>

The property appraiser annually determines the “just value”<sup>116</sup> of property within the taxing authority and then applies relevant exclusions, assessment limitations, and exemptions to determine the property’s “taxable value.”<sup>117</sup> Tax bills are mailed in November of each year, and payment is due by March 31.<sup>118</sup> The tax is based on the taxable value of property as of January 1 of each year.<sup>119</sup>

### [Salvage value](#)

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<sup>107</sup> Section [125.0104\(3\)\(l\)1., F.S.](#) and Section [125.0104\(3\)\(n\)1.a., F.S.](#)

<sup>108</sup> Section [125.0104\(3\)\(l\)1., F.S.](#) and Section [125.0104\(3\)\(n\)1.b., F.S.](#)

<sup>109</sup> Section [125.0104\(3\)\(l\)2. and 3., F.S.](#)

<sup>110</sup> Section [514.071\(1\), F.S.](#)

<sup>111</sup> Section [218.67\(1\), F.S.](#)

<sup>112</sup> Section [288.0656\(2\)\(d\), F.S.](#)

<sup>113</sup> Florida Department of Revenue, [Fiscally Constrained Counties](#) (last visited April 10, 2025).

<sup>114</sup> Art. VII, s. 1(a), Fla. Const.

<sup>115</sup> Art. VII, s. 9., Fla. Const.

<sup>116</sup> Property must be valued at “just value” for purposes of property taxation, unless the Florida Constitution provides otherwise. (Art. VII, s. 4, Fla. Const.). Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm’s-length transaction. See *Walter v. Shuler*, 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey*, 336 So. 2d 1163 (Fla. 1976); *Southern Bell Tel. & Tel. Co. v. Dade County*, 275 So. 2d 4 (Fla. 1973).

<sup>117</sup> Section [192.001\(2\) and \(16\), F.S.](#)

<sup>118</sup> Sections [197.322, F.S.](#), and [197.333, F.S.](#)

<sup>119</sup> Section [192.042, F.S.](#)

Generally, agricultural equipment that is located on property classified as agricultural<sup>120</sup> and is obsolete and no longer usable for its intended purpose is deemed to have a market value no greater than its value for salvage.<sup>121</sup>

For the 2018 tax year only, the Legislature provided that tangible personal property owned and operated by a citrus fruit packing or processing facility was deemed to have a market value no greater than its salvage value, provided the tangible personal property was no longer used in the operation of the facility due to the effects of Hurricane Irma or citrus greening.<sup>122</sup>

#### [State or Federal Quarantine Restrictions](#)

Lands classified for assessment purposes as agricultural lands which are taken out of production by a state or federal eradication or quarantine program, including the Citrus Health Response Program, continue to be classified as agricultural lands for 5 years after the date of execution of a compliance agreement pursuant to such program or successor programs.<sup>123</sup>

Lands under these programs that convert to fallow or otherwise non-income-producing uses may continue to be classified as agricultural lands and assessed at a de minimis value of up to \$50 per acre per year while fallow or otherwise used for non-income-producing purposes.

Lands under these programs which are replanted in citrus pursuant to the requirements of the compliance agreement must continue to be classified as agricultural lands and shall be assessed at a de minimis value of up to \$50 per acre per year during the 5-year term of agreement.

However, lands converted to other income-producing agricultural uses permissible under such programs shall be assessed based upon its agricultural use. Land under a mandated eradication or quarantine program which is diverted from an agricultural to a nonagricultural use shall be assessed as nonagricultural land.<sup>124</sup>

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<sup>120</sup> Section [193.461, F.S.](#)

<sup>121</sup> Section [193.4615, F.S.](#)

<sup>122</sup> Section [193.4516, F.S.](#)

<sup>123</sup> Section [193.461\(7\)\(a\), F.S.](#)

<sup>124</sup> Section [193.011, F.S.](#)

## [Value Adjustment Boards](#)

Each county has a Value Adjustment Board (VAB), comprised of two members of the governing body of the county, one member of the school board, and two citizen members appointed by the governing body of the county.<sup>125</sup> The county clerk acts as the clerk of the VAB.<sup>126</sup> The VAB may meet for the following enumerated reasons:<sup>127</sup>

- Hearing petitions relating to assessments filed pursuant to [s. 194.011\(3\), F.S.](#);
- Hearing complaints relating to homestead exemptions;
- Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications;
- Hearing appeals concerning ad valorem tax deferrals and classifications; and
- Hearing appeals from determinations that a change of ownership or control, or a qualifying improvement has occurred.

## [Evidence Exchange](#)

Florida Statutes provide the evidence exchange timelines in [s. 194.011, F.S.](#)

VAB Hearing Deadlines	
25 days before hearing	VAB notifies petitioner of hearing time
15 days before hearing	Petitioner gives evidence to appraiser
7 days before hearing	Appraiser gives evidence to petitioner, if requested

A property owner has the following timeframes to file a petition with the VAB. The deadline is dependent on the reason for the appeal<sup>128</sup>:

<b>Assessment Appeal</b>	Within 25 days after the property appraiser mails the Notice of Proposed Property Taxes <sup>129</sup> (TRIM notice). This usually occurs mid-August.
<b>Exemption or Classification Appeal</b>	Within 30 days after the property appraiser mails the denial notice. The denial notices must be mailed by the property appraiser by July 1.
<b>Tax Deferral Appeal</b>	Within 30 days after the tax collector mails the denial notice.
<b>Portability Appeal</b>	Within 25 days after the property appraiser mails the TRIM notice.
<b>Change of Ownership or Control Appeal</b>	Within 25 days after the property appraiser mails the TRIM notice.

## [Filing Fees](#)

The VAB may require a fee to file a petition with the board of up to \$15 for each separate parcel of real or tangible personal property that is covered by the petition and subject to appeal. The fee may not be required for a denial of homestead or denial of a tax deferral, provided that the denials were not due to a late-filed application.<sup>130</sup> The VAB must waive the fee for a petitioner who is an eligible recipient of temporary assistance under chapter 414, F.S.<sup>131</sup>

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<sup>125</sup> Section [194.015, F.S.](#)

<sup>126</sup> Section [194.015, F.S.](#)

<sup>127</sup> Section [194.032, F.S.](#)

<sup>128</sup> Florida Department of Revenue, [Petitions to the Value Adjustment Board](#) (last visited April 6, 2025)

<sup>129</sup> Section [200.069, F.S.](#)

<sup>130</sup> Section [194.013, F.S.](#)

<sup>131</sup> Section [194.013\(2\), F.S.](#)



These fees are intended to defray the costs incurred in connection with the VAB's administration and operation costs.<sup>132</sup>

### [Value Adjustment Board Hearings](#)

The value adjustment board (VAB) of each county is required to meet each year to consider petitions related to assessments, exemptions, classifications, deferrals, or changes of ownership.<sup>133</sup> The schedule for each board is set by the clerk of the governing body of the county, who orders appearances of those who timely file petitions for VAB review.<sup>134</sup> While appearances are generally in person, existing rules for VAB proceedings anticipate some appearances may be remote,<sup>135</sup> and due to the effects of COVID-19 some counties began allowing or requiring telephonic appearances.<sup>136</sup>

### [Record of VAB Proceedings](#)

Section [194.034\(1\)\(g\), F.S.](#), requires that a verbatim record of all VAB proceedings must be made.

### *Appeal Deadline when Tax Roll is Extended*

Circuit courts have original jurisdiction at law of all matters relating to property taxation.<sup>137</sup> No action may be brought to contest a tax assessment after 60 days from (1) the date the assessment being contested is certified for collection by the value adjustment board after the first certification of such roll, or (2) 60 days from the date a decision is rendered concerning such assessment by the value adjustment board if a petition contesting the assessment had not received final action by the value adjustment board prior to extension of the roll.<sup>138</sup>

The board of county commissioners may, upon request by the tax collector and by majority vote, order the roll to be extended prior to completion of value adjustment board hearings, if completion would otherwise be the only cause for a delay in the issuance of tax notices beyond November 1.<sup>139</sup>

When the tax rolls have been extended, the second certification of the value adjustment board reflects all changes made by the board together with any adjustments or changes made by the property appraiser. Upon such certification, the property appraiser recertifies the tax rolls with all changes, presents it to the collector, and provides public notice of the date and fact of recertification.<sup>140</sup>

### [Affordable Housing](#)

Housing is considered affordable when it costs less than 30 percent of a family's gross income.<sup>141</sup> A family paying more than 30 percent of its income for housing is considered "cost burdened," while those paying more than 50 percent are considered "extremely cost burdened." Severely cost burdened households are more likely to sacrifice other necessities such as healthy food and healthcare to pay for housing, and to experience unstable housing situations such as eviction.

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<sup>132</sup> Section [194.013\(4\), F.S.](#)

<sup>133</sup> Section [194.032\(1\)\(a\), F.S.](#)

<sup>134</sup> Section [194.032\(2\)\(a\), F.S.](#)

<sup>135</sup> Rule [12D-9.003\(5\), F.A.C.](#), defines hearing to include a hearing "regardless of whether the parties are physically present or telephonic or other electronic media is used to conduct the hearing..." and Rule [12D-9.026, F.A.C.](#), outlines procedures for conducting a hearing by electronic media.

<sup>136</sup> See, e.g., Miami Dade County [VAB Telephonic Hearing Procedures](#), memo dated October 5, 2021 (last visited April 11, 2025), and Orange County [2021 Value Adjustment Board Tax Cycle](#) (last visited April 11, 2025).

<sup>137</sup> Section [194.171\(1\), F.S.](#)

<sup>138</sup> Section [194.171\(2\), F.S.](#)

<sup>139</sup> Section [197.323, F.S.](#)

<sup>140</sup> Section [193.122\(3\), F.S.](#)

<sup>141</sup> Section [420.0004\(3\), F.S.](#)

## [Live Local Act](#)

The Live Local Act,<sup>142</sup> which became law in 2023, made a number of changes related to affordable housing in Florida. The primary tax-related changes included creating a new ad valorem exemption for land owned by a non-profit that is leased for a minimum of 99 years for affordable housing<sup>143</sup>, creating a sales tax refund for certain building materials used for affordable housing,<sup>144</sup> creating a tax credit program for certain donations to the Florida Housing Finance Corporation (FHFC) to help fund affordable housing,<sup>145</sup> and establishing two new ad valorem tax exemptions for owners of newly constructed multifamily rental developments who use a portion of the development to provide affordable housing, one exemption required for all taxing authorities and one at the option of local governments.<sup>146</sup>

## [Nonprofit Land Lease Exemption](#)

In 2023, the Legislature amended [s. 196.1978\(1\), F.S.](#), to create an exemption in new paragraph (1)(b) for land owned entirely by a nonprofit corporation that is a 501(c)(3) charity which is leased for at least 99 years for the purpose of, and is predominantly used for, providing affordable housing for extremely-low-, very-low-, low-, or moderate-income persons or families.<sup>147</sup>

In order to receive this exemption, the improvements on the land being used for affordable housing purposes must encompass more than half the square footage of all improvements on the land. This exemption first applied to the 2024 tax roll and is repealed on December 31, 2059.

## [Ad Valorem Exemption for Literary, Scientific, Religious, or Charitable Organizations](#)

The Florida Constitution allows the Legislature to exempt from ad valorem taxation portions of property that are used predominantly for educational, literary, scientific, religious, or charitable purposes.<sup>148</sup> The Legislature has implemented these exemptions and set forth criteria to determine whether property is entitled to an exemption.<sup>149</sup>

To determine whether a property's use qualifies for an education, literary, scientific, religious, or charitable exemption, the property appraiser must consider the nature and extent of the qualifying activity compared to other activities or other uses of the property.<sup>150</sup>

Incidental use of property for an exempt purpose does not qualify the property for an exemption nor does the incidental use of the property for a non-exempt purpose impair an exemption.<sup>151</sup>

Property claimed as exempt which is used for profitmaking purposes is not exempt and is subject to ad valorem taxation; however, the Legislature has allowed certain property to remain exempt even when used for profitmaking purposes when the use of the property does not require a business or occupational license and the revenue derived from the profitmaking activity is used wholly for exempt purposes, and with respect to certain

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<sup>142</sup> Chapter [2023-17, L.O.F.](#)

<sup>143</sup> Section [196.1978\(1\)\(b\), F.S.](#), created in Section 8 of Chapter [2023-17, L.O.F.](#)

<sup>144</sup> Section [212.08\(5\)\(v\), F.S.](#), created in Section 12 of Chapter [2023-17, L.O.F.](#)

<sup>145</sup> Section [220.1878, F.S.](#), created in Section 21 of Chapter [2023-17, L.O.F.](#)

<sup>146</sup> Section [196.1978\(3\), F.S.](#), created in Section 8 of Chapter [2023-17, L.O.F.](#) (Required) and Section [196.1979, F.S.](#), created in Section 9, Chapter [2023-17, L.O.F.](#) (Local Option)

<sup>147</sup> Section 8 of chapter [2023-17, L.O.F.](#)

<sup>148</sup> Art. VII, s. 3(a), Fla. Const.

<sup>149</sup> Section [196.196, F.S.](#)

<sup>150</sup> Section [196.196\(1\), F.S.](#)

<sup>151</sup> Section [196.196\(2\), F.S.](#) See also *Underhill v. Edwards*, 400 So.2d 129, 132 (Fla. 5th DCA 1981) (The district court found that trustees of a private not-for profit hospital were not entitled to an exemption on the new wing's first floor, which was used for a private purpose and not for a charitable purpose or other exempt purpose, despite the fact that the portion of the hospital used for a non-exempt purpose represented only a very small percentage of the otherwise exempt property) and *Central Baptist Church of Miami, Florida Incorporated v. Dade County, Florida, et. al.*, 216 So.2d 4, 6 (Fla. 1968) (Florida Supreme Court found that "limited part time rental of a portion of the church lot for commercial parking on weekday business hours is reasonably incidental to the primary use of the church property as a whole for church or religious purposes and is not a sufficiently divergent commercial use that eliminates the exemption as to the commercial parking lot portion of the property.")

affordable housing provisions.<sup>152</sup>

### [Income Limitations for Affordable Housing Purposes](#)

Florida statutes lay out separate income thresholds for different types of affordable housing.<sup>153</sup> These thresholds are all based on the “adjusted gross income” of a household, which includes all wages, assets, contributions, and gifts earned by or made to a household, adjusted for family size, less deductions allowable under the definition of “adjusted gross income”<sup>154</sup> for federal tax purposes.<sup>155</sup>

The most common categories used for affordable housing are:

- Extremely-low-income:<sup>156</sup> total annual household income does not exceed 30 percent of the median annual adjusted gross income for households within the state.
- Very-low-income:<sup>157</sup> total annual household income does not exceed 50 percent of the median annual adjusted gross income for households within the greatest of the state, the metropolitan area where the household resides, or, if not within a metropolitan area, then within the county in which the person or family resides.
- Low income:<sup>158</sup> total annual household income does not exceed 80 percent of the median annual adjusted gross income for households within the greatest of the state, the metropolitan area where the household resides, or, if not within a metropolitan area, then within the county in which the person or family resides.
- Moderate income:<sup>159</sup> total annual household income does not exceed 120 percent of the median annual adjusted gross income for households within the greatest of the state, the metropolitan area where the household resides, or, if not within a metropolitan area, then within the county in which the person or family resides.

### [Housing Finance Authorities](#)

The Florida Housing Finance Authority Act (Act)<sup>160</sup> was enacted in 1978 in response to shortages both of affordable housing and capital for investment in such housing.<sup>161</sup> The Act would encourage “investment by private enterprise and (stimulate) construction and rehabilitation of housing through the use of public financing and...low cost loans...”<sup>162</sup> in part by authorizing local governments to issue obligations the interest on which would be exempt from federal income taxation.<sup>163</sup> Counties are authorized to create by ordinance a “Housing Finance Authority” (HFA) to carry out the powers under the Act.<sup>164</sup>

Currently, there are 24 HFAs<sup>165</sup> registered with the Special District Accountability Program<sup>166</sup> in the Department of Commerce. Each HFA is composed of a board of at least 5 members appointed by the governing body of the county to serve 4-year terms. A majority of the members must be knowledgeable in the field of labor, finance, or

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<sup>152</sup> See section [196.196\(4\), F.S.](#) and section [196.1978\(3\), F.S.](#), e.g.

<sup>153</sup> Section [420.0004\(3\), F.S.](#)

<sup>154</sup> 26 U.S.C. s. 62

<sup>155</sup> Section [420.004\(2\), F.S.](#)

<sup>156</sup> Section [420.004\(9\), F.S.](#)

<sup>157</sup> Section [420.004\(17\), F.S.](#)

<sup>158</sup> Section [420.004\(11\), F.S.](#)

<sup>159</sup> Section [420.004\(12\), F.S.](#)

<sup>160</sup> Chapter 78-89, s. 1, L.O.F., codified at chapter 159, Part IV, F.S.

<sup>161</sup> Section [159.602\(1\), F.S.](#)

<sup>162</sup> Section [159.602\(2\), F.S.](#)

<sup>163</sup> Section [159.602\(4\), F.S.](#)

<sup>164</sup> Section [159.604\(1\), F.S.](#)

<sup>165</sup> The following counties have active HFAs: Alachua, Brevard, Broward, Collier, Duval (Jacksonville), Escambia, Clay, Hillsborough, Lee, Leon, Manatee, Marion, Miami-Dade, Nassau, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, St. Johns, St. Lucie, Santa Rosa, Volusia. Available at <https://specialdistrictreports.floridajobs.org/OfficialList/CustomList>; running a report for “Housing Finance” (last visited March 14, 2025).

<sup>166</sup> Florida Commerce, [Special District Accountability Program](#) (last visited March 14, 2025).

commerce.<sup>167</sup> In addition to the usual authority of a public body corporate and politic,<sup>168</sup> each HFA is authorized to:

- Acquire and own real and personal property under specific conditions;<sup>169</sup>
- Purchase, commit to purchase, make, or otherwise transact in mortgage loans and accompanying promissory notes for the construction, purchase, reconstruction, or rehabilitation of qualified property; however, sales proceeds must be reinvested in mortgage loans;<sup>170</sup>
- Issue bonds to raise capital for qualified housing and development;<sup>171</sup>
- Lend funds to lending institutions under terms requiring the proceeds be used for making new mortgages for housing developments qualifying under the statute as affordable housing;<sup>172</sup>
- Make loans directly to eligible persons who otherwise cannot borrow from conventional lending services, such loans to be secured by mortgages on qualified property;<sup>173</sup>
- Loan funds to not for profit corporations to develop affordable housing;<sup>174</sup> and
- Own, maintain, operate, control, and capitalize a savings and loan association with the limited purpose to provide low cost loans and related services for eligible persons to obtain affordable housing.<sup>175</sup>

At least one HFA in Florida currently supports affordable housing through long term leases to nonprofit entities that sublease affordable housing projects to low income families.<sup>176</sup>

### [Missing Middle Exemption](#)

The ad valorem tax exemption for owners of newly constructed multifamily rental developments who use a portion of the development to provide affordable housing is colloquially known as the “Missing Middle” exemption.<sup>177</sup> Eligible property includes units in a newly constructed multifamily development containing more than 70 units dedicated to housing natural persons or families below certain income thresholds.<sup>178</sup> However, units subject to an agreement with Florida Housing Finance Corporation are not eligible for the exemption.<sup>179</sup>

“Newly constructed” is defined as an improvement substantially completed within five years before the property owner’s first application for the exemption.<sup>180</sup> The units must be occupied by such individuals or families and rent limited so as to provide affordable housing at either the 80 or 120 percent household adjusted gross income (low income or moderate income, respectively) threshold.<sup>181</sup> Rent for such units may not exceed 90 percent of the fair market value of rent as determined by a rental market study.<sup>182</sup>

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<sup>167</sup> Section [159.605\(1\), F.S.](#)

<sup>168</sup> Including the power to sue and be sued, to enter into contracts and execute instruments necessary to the exercise of its powers, to receive and deposit funds. See section [159.608, F.S.](#)

<sup>169</sup> Section [159.608\(2\), F.S.](#), which requires that “no less than 50 percent of the units owned by a housing finance authority shall benefit very-low-income families or low-income families.”

<sup>170</sup> Section [159.608\(3\), F.S.](#)

<sup>171</sup> Section [159.608\(4\), F.S.](#)

<sup>172</sup> Section [159.608\(5\), F.S.](#)

<sup>173</sup> Section [159.608\(6\), F.S.](#)

<sup>174</sup> Section [159.608\(10\)\(a\), F.S.](#)

<sup>175</sup> Section [159.608\(9\), F.S.](#)

<sup>176</sup> See, e.g. [Staff Report re: Affordable Housing development by Habitat for Humanity of Pinellas County](#), February 25, 2025, (last visited March 14, 2025), and [Meeting Minutes of Housing Finance Authority of Pinellas County](#), June 1, 2022, providing for, *inter alia*, an amendment to a ground lease from the HFA to Habitat for Humanity (last visited March 14, 2025).

<sup>177</sup> Chapter 2023-17, s. 8, L.O.F., codified as section [196.1978\(3\), F.S.](#); referred to as “Missing Middle” Property Tax Exemption in [press releases](#) from the Florida Senate in 2023.

<sup>178</sup> Section [196.1978\(3\)\(b\), F.S.](#)

<sup>179</sup> Section [196.1978\(3\)\(k\), F.S.](#)

<sup>180</sup> Section [196.1978\(3\)\(a\)2., F.S.](#)

<sup>181</sup> Section [196.1978\(3\)\(b\)1., F.S.](#)

<sup>182</sup> Section [196.1978\(3\)\(b\)3., F.S.](#)

Qualified property used to provide affordable housing at the moderate income threshold receives an exemption of 75 percent of the assessed value of the affordable units, while such property providing affordable housing at the low income threshold receives a complete ad valorem tax exemption for the affordable units.<sup>183</sup>

To receive this exemption, a property owner must apply by March 1 to the property appraiser, accompanied by a certification notice from FHFC.<sup>184</sup> To receive FHFC certification, a property owner must submit a request on a form including the most recent market study, which must have been conducted by an independent certified general appraiser in the preceding three years, a list of units for which the exemption is sought, the rent amount received for each unit, and a sworn statement restricting the property for a period of not less than three years to provide affordable housing.<sup>185</sup>

### [Opt-Out Provision](#)

In 2024, and effective beginning with the 2025 tax roll, the Legislature adopted an “opt out” provision that allows a taxing authority to elect, upon adoption of an ordinance or resolution approved by a two-thirds vote of the governing body, to opt out of the Missing Middle exemption, if certain conditions are met.<sup>186</sup>

To opt out, the taxing authority must make a finding in the ordinance or resolution that the most recently published Shimberg Center for Housing Studies Annual Report identifies that a county that is part of the jurisdiction of the taxing authority is within a metropolitan statistical area or region where the number of affordable and available units is greater than the number of renter households in the metropolitan statistical area or region for the category entitled “0-120% AMI.”<sup>187</sup>

The 2024 legislation also provided a grandfathering provision for projects that were granted an exemption prior to adoption of an ordinance that opts-out of the statutory exemption.<sup>188</sup>

### [State-Owned Land](#)

The State of Florida owns more than 3.8 million acres of land in Florida, including 500,000 acres of conservation easements.<sup>189</sup> The property is held in trust for the people of Florida by the Board of Trustees of the Internal Improvement Trust Fund and the Land Acquisition Trust Fund, which is comprised of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture.<sup>190</sup>

Land owned by the state can be used for specified long-term and short-term uses, including habitat restoration, public access and recreation, water preservation and restoration, sustainable forest management, exotic and invasive species control, capital facilities and infrastructure, cultural and historical resources, and imperiled species habitat management.<sup>191</sup>

The Bureau of Public Land Administration is the program used by the Board of Trustees to administer necessary agreements, easements, leases, and similar documents related to the use of state-owned lands.<sup>192</sup>

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<sup>183</sup> Section [196.1978\(3\)\(d\), F.S.](#)

<sup>184</sup> Section [196.1978\(3\)\(e\), F.S.](#)

<sup>185</sup> Section [196.1978\(3\)\(f\), F.S.](#)

<sup>186</sup> Section 16, [Chapter 2024-158, L.O.F.](#), codified at section [196.1978\(3\)\(o\), F.S.](#)

<sup>187</sup> Section [196.1978\(3\)\(o\)2., F.S.](#); “AMI” in this case refers to the “area median income,” as reported in the annual report produced by the Shimberg Center for Housing Studies. The most recent [Annual Report](#) was published in December 2024.

<sup>188</sup> Section [196.1978\(3\)\(o\)7., F.S.](#)

<sup>189</sup> Florida Department of Environmental Protection, [Buy Land From The State](#), (last accessed April 14, 2025).

<sup>190</sup> Section [253.02\(1\), F.S.](#)

<sup>191</sup> Section [253.034\(5\)\(b\), F.S.](#)

<sup>192</sup> See [“Bureau of Public Land Administration”](#) (last visited April 10, 2025).



## Existing Affordable Housing Exemptions

Section [196.1978, F.S.](#), provides five property tax exemptions related to affordable housing. They are:

1. Original Affordable Housing Exemption

In 1999, the Legislature authorized the original charitable use property tax exemption for property owned by a nonprofit corporation that provides affordable housing.<sup>193, 194</sup> This exemption is limited to only those portions of the property that house persons or families who are within the moderate-income threshold or a lower income threshold. This provision is currently found in [s. 196.1978\(1\)\(a\), F.S.](#)

2. Long-term, Low-income Delayed Housing Benefit

In 2017, the Legislature adopted a property tax benefit for property subject to a recorded land use restriction agreement with the Florida Housing Finance Corporation where more than 70 of the units provide affordable housing at the low-income threshold or lower. The original tax discount amounted to 50 percent of the taxable value of eligible units and was applicable to taxes assessed after the 15th completed year of an agreement with the FHFC.<sup>195</sup> In 2021, the Legislature increased the 50 percent discount to a full exemption of eligible units after the 15<sup>th</sup> completed year of the agreement.<sup>196</sup> This benefit is currently found in [s. 196.1978\(2\), F.S.](#)

3. Missing Middle Benefit

In 2023, the Legislature adopted the “Missing Middle” provision. The Missing Middle provision discounts or exempts units in a multifamily project that are rented to persons moderate- or lower-income limitations, if the rent charged for the units does not exceed a specified threshold. This provision is found in [s. 196.1978\(3\), F.S.](#), and was amended in 2024 to allow certain local governments to opt out of the program if that local government has sufficient affordable housing to meet local needs, as provided in section 16 of by ch. 2024-158, L.O.F. This provision is scheduled to be repealed December 31, 2059.

The income limitations for this provision, and their related benefits, are:

- For units rented to moderate income persons, at a rental charge that complies with rent restrictions in the bill, such units are discounted 75%.
- For units rented to low, very low, or extremely low-income persons, at a rental charge that complies with rent restrictions in the bill, the unit is exempt.

4. Nonprofit Land Lease Exemption

In 2023, the Legislature also created an exemption for the land owned by a nonprofit 501(c)(3) entity, that is leased for 99 years for the purpose of providing affordable housing, if more than 50% of the square footage of the property is used to provide housing to extremely-low-income, very-low-income, low-income, or moderate-income individuals or families. This provision is currently found in [s. 196.1978\(1\)\(b\), F.S.](#), and is scheduled to be repealed December 31, 2059.

5. Long-term, Low-income Immediate Housing Benefit

In 2024, the Legislature adopted an immediate exemption for property subject to a recorded land use restriction agreement with the Florida Housing Finance Corporation where more than 70 of the units provide affordable housing at the low-income threshold or lower. This is separate from the existing similar benefit in subsection (2), which generally does not apply until the 15<sup>th</sup> January after the project was placed in service. This benefit is currently found in [s. 196.1978\(4\), F.S.](#)

<sup>193</sup> Section 15 of chapter [99-378, L.O.F.](#) (creating s. 196.1978, F.S, effective July 1, 1999).

<sup>194</sup> The not-for-profit corporation must qualify as charitable under s. 501(c)(3) of the Internal Revenue Code and other federal regulations. See 26 U.S.C. § 501(c)(3) (“charitable purposes” include relief of the poor, the distressed or the underprivileged, the advancement of religion, and lessening the burdens of government).

<sup>195</sup> Section [196.1978\(2\)\(a\), F.S.](#) and section 6 of ch. [2017-36, L.O.F.](#)

<sup>196</sup> Section 8 of chapter [2021-31, L.O.F.](#)



## [Educational Property Exemption](#)

Property used for educational purposes is exempt from property tax in Florida.<sup>197</sup> In order to be exempt, the property generally has to be both owned by an educational institution and used for educational purposes by the educational institution.<sup>198</sup>

## [Gold Seal Quality Status](#)

In 1996, the Florida Legislature established, and now the Department of Education (DOE) administers,<sup>199</sup> the Gold Seal Quality Care Program to recognize child care facilities, large family day care homes, or family day care homes that have gone above the required minimum licensing standards to become accredited by recognized agencies whose standards reflect quality in the level of care and supervision provided to children.<sup>200</sup> The Gold Seal Quality Care Program is not an accreditation, but a designation with potential benefits to those that participate, including, but not limited to:

- A positive marketing tool for prospective parents.
- Limited tax exemptions. The Department of Revenue issues the exemption certificates for sales tax on certain educational materials.
- Higher reimbursement for School Readiness providers.
- Eligibility to participate in Voluntary Prekindergarten (VPK).<sup>201</sup>

As of April 9, 2025, the DOE lists 1,927 Gold Seal Quality Care providers.<sup>202</sup>

## [Flight Simulation Training Devices](#)

The Federal Aviation Authority (FAA) establishes standards for Qualified Flight Simulation Training Devices (FSTD) through its National Simulator Program.<sup>203</sup> The FAA differentiates between full flight simulators (FFS) and flight training devices (FTD).<sup>204</sup> An FSTD is defined in 14 CFR part 60<sup>205</sup> as an FFS or FTD:

- Full Flight Simulator (FFS)—a replica of a specific type, make, model, or series aircraft. It includes the equipment and computer programs necessary to represent aircraft operations in ground and flight conditions, a visual system providing an out-of-the-flight deck view, a system that provides cues at least equivalent to those of a three-degree-of-freedom motion system, and has the full range of capabilities of the systems installed in the device.
- Flight Training Device (FTD)—a replica of aircraft instruments, equipment, panels, and controls in an open flight deck area or an enclosed aircraft flight deck replica. It includes the equipment and computer programs necessary to represent aircraft (or set of aircraft) operations in ground and flight conditions having the full range of capabilities of the systems installed in the device.

## [Ad Valorem Exemption for Governmental Entities](#)

Property that is government-owned and serves a governmental, municipal, or public purpose is exempt from ad valorem taxation, with certain exceptions.<sup>206</sup> Leasehold interests in property of the United States, of the state or any of its political subdivisions, or of municipalities, agencies, authorities, and other public bodies corporate of the state, are exempt from ad valorem taxation only when the lessee serves or performs a governmental, municipal, or

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<sup>197</sup> Section [196.198, F.S.](#)

<sup>198</sup> *Id.*

<sup>199</sup> Effective July 1, 2021, the Gold Seal program was transferred to the Department of Education from the Department of Children and Families (DCF). See Florida Department of Education, [Gold Seal Quality Care Program](#) (last visited June 19, 2025).

<sup>200</sup> Section [1002.945, F.S.](#)

<sup>201</sup> Florida Department of Education, [Gold Seal Quality Care Program](#) (last visited June 19, 2025).

<sup>202</sup> Florida Department of Education, [Gold Seal Providers](#) (last visited June 19, 2025).

<sup>203</sup> FAA, [National Simulator Program \(NSP\)](#) (last visited April 12, 2025)

<sup>204</sup> FAA, [Flight Simulation Training Devices](#) (last visited April 14, 2025)

<sup>205</sup> Code of Federal Regulations, [14 CFR 60](#) (Last visited April 12, 2025)

<sup>206</sup> Section [196.199\(1\)\(a\)-\(d\), F.S.](#)

public purpose or function, or if the lessee is an organization using the property exclusively for literary, scientific, religious, or charitable purposes.<sup>207</sup> This exemption is deemed to be met if the lessee performs a function or serves a purpose which could properly be performed or served by an appropriate governmental unit or which would be a valid subject for the allocation of public funds.<sup>208</sup>

### [Taxation of Tangible Personal Property](#)

Tangible personal property is singled out for special treatment in the Constitution. Motor vehicles, boats, airplanes, trailers, trailer coaches and mobile homes are excluded from ad valorem taxation.<sup>209</sup> Household goods up to \$1,000 in value are exempt.<sup>210</sup> Tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, classified for tax purposes, or exempted by general law.<sup>211</sup> Tangible personal property not specifically exempt from taxation is subject to ad valorem taxation.

### [Aviation Fuel Tax](#)

Florida law imposes an excise tax of 4.27 cents on every gallon of aviation fuel sold in the state or brought into the state for use.<sup>212</sup> Aviation fuel is defined as “fuel for use in aircraft, and includes aviation gasoline and aviation turbine fuels and kerosene, as determined by the American Society for Testing Materials specifications D-910 or D-1655 or current specifications.”<sup>213</sup>

In 2018, the Legislature reduced the excise tax on aviation fuel from 4.27 cents per gallon to 2.85 cents per gallon for aviation fuel paid by an air carrier who conducts scheduled operations or all-cargo operations that are authorized under 14 C.F.R. parts 121, 129, or 135. The tax reduction is available only through a refund of previously paid taxes. The purchaser must pay the 4.27 cents per gallon tax at the time of purchase and request a refund of 1.42 cents per gallon. The refund provided under this section plus the refund provided under [s. 206.9855, F.S.](#), related to wages paid by air carriers to employees located or based within Florida, may not exceed 4.27 cents per gallon of aviation fuel purchased by an air carrier.

The Transportation Revenue Estimating Conference reported \$63 million in gross revenue from the aviation fuel excise tax in Fiscal Year 2023-24. After \$35.7 million in refunds were distributed and \$2.4 million in administrative fees and service charges were deducted, \$24.9 million was transferred to the State Transportation Trust Fund.<sup>214</sup>

The Department of Transportation’s Aviation Grant Program is mainly funded by the State Transportation Trust Fund, including contributions from the aviation industry through Florida’s aviation fuel tax. Aviation fuel tax contributes 0.9% of the fuel-related revenue deposited into the State Transportation Trust Fund. Aviation fuel tax is specifically earmarked to fund airport projects. Department of Transportation Aviation Grant Allocations for FY 2025-26 are estimated to be \$243 million.<sup>215</sup>

### [Natural Gas as Motor Fuel](#)

There are multiple incentives provided both federally and by states to encourage the use of natural gas in

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<sup>207</sup> Sections [196.199\(2\)\(a\) and \(c\) and \(4\), F.S.](#)

<sup>208</sup> Section [196.012\(6\), F.S.](#)

<sup>209</sup> Art. VII, s. 1(b), Fla. Const.

<sup>210</sup> Art. VII, s. 3(b), Fla. Const.

<sup>211</sup> Art. VII, s. 4(b), Fla. Const.

<sup>212</sup> Section [206.9825, F.S.](#)

<sup>213</sup> Section [206.9815, F.S.](#)

<sup>214</sup> EDR Revenue Estimating Conference – [Revenues to State Transportation Trust Fund](#), p. 6 (March 2025), (last visited March 15, 2025).

<sup>215</sup> Florida Department of Transportation, [Florida’s Transportation Tax Sources. A Primer](#) (2025), (last visited March 15, 2025).

vehicles.<sup>216</sup> Natural gas is seen by some as a beneficial alternative fuel due to its wide domestic availability, well-developed distribution infrastructure, relatively low cost, and lower emissions compared to traditional fuels.<sup>217</sup>

### [Scheduled Tax on Natural Gas Fuel](#)

Chapter 2013-198, L.O.F., established a fuel tax rate structure for motor vehicles powered by natural gas and repealed the decal fee imposed on “alternative fuel” vehicles.<sup>218</sup> The bill also provided an exemption from the new rate structure until December 31, 2018, and exempted from the sales and use tax natural gas and natural gas fuel when placed into the fuel system of a motor vehicle.<sup>219</sup>

Legislation in 2018<sup>220</sup> delayed the effective date for the motor fuel taxes on natural gas fuel from January 1, 2019 to January 1, 2024. The base year for the purpose of indexing the sales and SCETS tax rates on natural gas fuel was specified to be local fiscal year 2013.

In 2023, legislation<sup>221</sup> was passed to delay the effective date further to January 1, 2026.

In 2024, legislation<sup>222</sup> reduced the scheduled natural gas fuel tax rates for a one-year period beginning on January 1, 2026, to half of the rates currently scheduled to take effect on that date. Beginning on January 1, 2027, all the tax rates would revert to the scheduled rates previously established in statute.

### [Natural Gas Fuel Tax Rates](#)

The current reduced rates for calendar year 2026 are as follows:

- The excise tax on each motor fuel equivalent gallon of natural gas fuel<sup>223</sup> will be 2 cents.
- The additional tax of 1 cent on each motor fuel equivalent gallon of natural gas fuel, which is designated as the “ninth-cent fuel tax,” will be 0.5 cents.
- The additional tax of 1 cent on each motor fuel equivalent gallon of natural gas fuel by each county, which is designated as the “local option fuel tax,” will be 0.5 cents.
- The additional tax on each motor fuel equivalent gallon of natural gas fuel, which is designated as the “State Comprehensive Enhanced Transportation System (SCETS) Tax,” will be 2.9 cents per gallon, as adjusted by DOR.
- The additional tax on each motor fuel equivalent gallon of natural gas fuel “for the privilege of selling natural gas fuel” will be 4.6 cents per gallon, as adjusted by the Department of Revenue.

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<sup>216</sup> US Department of Energy , Natural Gas [Laws and Incentives](#) (last visited April 6, 2025)

<sup>217</sup> US Department of Energy , Natural Gas [Benefits and Considerations](#) (last visited April 6, 2025)

<sup>218</sup> The bill created a new Part V of Ch. 206, F.S., consisting of sections [206.9951, F.S.](#) – [206.998, F.S.](#), entitled ‘NATURAL GAS FUEL.’ It repealed various provisions, including sections [206.877, F.S.](#) and [206.89, F.S.](#); and it amended and relocated various provisions to the new Part V.

<sup>219</sup> See section [212.08\(4\)\(a\)2., F.S.](#)

<sup>220</sup> Chapter [2018-118, L.O.F.](#)

<sup>221</sup> Chapter [2023-157, L.O.F.](#)

<sup>222</sup> Chapter [2024-158, L.O.F.](#)

<sup>223</sup> “Motor fuel equivalent gallon” is defined as “the volume of natural gas fuel it takes to equal the energy content of 1 gallon of motor fuel” in section [206.9951\(1\), F.S.](#) The conversion rates for various types of natural gas fuels is provided in section [206.9955, F.S.](#)

The following rates were scheduled to be imposed on natural gas fuel<sup>224</sup> effective January 1, 2027:<sup>225</sup>

- The excise tax on each motor fuel equivalent gallon of natural gas fuel will be 4 cents.
- An additional tax of 1 cent on each motor fuel equivalent gallon of natural gas fuel, which is designated as the “ninth-cent fuel tax.”
- An additional tax of 1 cent on each motor fuel equivalent gallon of natural gas fuel by each county, which is designated as the “local option fuel tax.”
- The additional tax on each motor fuel equivalent gallon of natural gas fuel, which is designated as the SCETS Tax, will be 5.8 cents per gallon, as adjusted by the Department of Revenue.
- The additional tax on each motor fuel equivalent gallon of natural gas fuel “for the privilege of selling natural gas fuel” will be 9.2 cents per gallon, as adjusted by the Department of Revenue.

### [Communications Services Tax](#)

Chapter 202, F.S., is the Communications Services Tax (CST) Simplification Law. The term “communications services” means the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including video services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method, regardless of the protocol used for such transmission or conveyance.<sup>226</sup>

Section [202.105, F.S.](#), provides the legislative findings and intent related to enactment of the CST simplification law. The law simplified a complicated state and local tax and fee system, by restructuring separate taxes and fees into a revenue-neutral CST centrally administered by the Department of Revenue (DOR), i.e. a single tax to replace multiple taxes and fees previously imposed. Among the Legislature’s stated intentions in creating the CST was that it not reduce the authority that municipalities or counties had to raise revenue in the aggregate, as such authority existed on February 1, 1989.

The state CST rate, except for direct-to-home satellite service, is 4.92 percent.<sup>227</sup>

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<sup>224</sup> “Natural gas fuel” is defined as “any liquefied petroleum gas product, compressed natural gas product, or combination thereof used in a motor vehicle as defined in section [206.01\(23\), F.S.](#) This term includes, but is not limited to, all forms of fuel commonly or commercially known or sold as natural gasoline, butane gas, propane gas, or any other form of liquefied petroleum gas, compressed natural gas, or liquefied natural gas. This term does not include natural gas or liquefied petroleum placed in a separate tank of a motor vehicle for cooking, heating, water heating, or electric generation.” Section [206.9951\(2\), F.S.](#)

<sup>225</sup> Section [206.9955, F.S.](#)

<sup>226</sup> Section [202.11\(1\), F.S.](#) Excluded from this definition is information services; installation or maintenance of wiring or equipment on a customer’s premises; the sale or rental of tangible personal property; the sale of advertising, including, but not limited to, directory advertising; bad check charges; late payment charges; billing and collection services; and internet access service, electronic mail service, electronic bulletin board service, or similar online computer services.

<sup>227</sup> Section [202.12\(1\)\(a\) and \(b\), F.S.](#) For direct-to-home satellite service the rate is 9.07 percent.

## [Local Communications Services Taxes](#)

Local governments may also levy a local CST:

- Charter counties and municipalities may levy a local CST at a rate of up to 5.1 percent for municipalities and charter counties that have not chosen to levy permit fees, and at a rate of up to 4.98 percent for municipalities and charter counties that have chosen to levy permit fees; and
- Noncharter counties may levy a local CST at a rate of up to 1.6 percent.<sup>228</sup>

These maximum rates do not include the add-ons, pursuant to [s. 337.401, F.S.](#), of up to 0.12 percent for municipalities and charter counties, or up to 0.24 percent for noncharter counties, if those local governments have elected not to require right-of-way permit fees.<sup>229</sup>

Under [s. 202.19\(5\), F.S.](#), any discretionary sales surtax levied by a county or school board under [s. 212.055, F.S.](#), is imposed as a local CST. This surtax is added to the adopted local rate at the respective conversion rate, as determined in accordance with methodology and chart in [s. 202.20\(3\), F.S.](#)

The local discretionary CST and add-on rates, if applicable, constitute the total local adopted rate.<sup>230</sup> The total local CST rates vary by jurisdiction.

Local CST is considered general revenue for the levying local government and can be used for any public purpose.<sup>231</sup>

## [Local Communications Services Tax Rate Freeze](#)

HB 7063 (2023) revised [s. 202.19, F.S.](#), to require that any local CST rate in effect as of January 1, 2023, cannot be increased before January 1, 2026. The bill also provided that any increases to discretionary sales tax, levied pursuant to [s. 212.055, F.S.](#), may not be added to the local CST under [s. 202.19, F.S.](#), before January 1, 2026.

## [Fees Replaced by CST](#)

The local CST includes and is in lieu of any fee or other consideration, including, but not limited to, application fees, transfer fees, renewal fees, or claims for related costs, to which the municipality or county is otherwise entitled for granting permission to dealers of communications services to use or occupy its roads or rights-of-way for the placement, construction, and maintenance of poles, wires, and other fixtures used in the provision of communications services.<sup>232</sup> Additionally, the term “replaced revenue sources” includes permit fees relating to use of rights-of-way collected from communication services providers; however, if a municipality or charter county elects the option to charge permit fees pursuant to [s. 337.401\(3\)\(c\), F.S.](#), such fees are not be included as a replaced revenue source.<sup>233</sup> Permit fees are generally required to be equal to the direct and actual cost of the regulatory activity of issuing and processing permits and related activities.<sup>234</sup>

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<sup>228</sup> Section [202.19, F.S.](#)

<sup>229</sup> Section [337.401\(3\)\(c\), F.S.](#)

<sup>230</sup> Florida Department of Revenue, *2023 Agency Legislative Bill Analysis for SB 1432*, (Mar. 14, 2023)

<sup>231</sup> Section [202.19\(8\), F.S.](#)

<sup>232</sup> Section [202.19\(3\)\(a\), F.S.](#)

<sup>233</sup> Section [202.20\(2\)\(b\)1.e., F.S.](#)

<sup>234</sup> Section [337.401\(3\)\(c\), F.S.](#)

## [Corporate Income Tax](#)

Florida levies a 5.5 percent tax on the taxable income of corporations and financial institutions doing business in Florida.<sup>235</sup> Florida utilizes the taxable income determined for federal income tax purposes as a starting point to determine the total amount of Florida corporate income tax due.<sup>236</sup> This means that a corporation paying taxes in Florida generally receives the same benefits from deductions allowed when determining taxable income for federal tax purposes as it does when determining taxable income for state taxation purposes, unless the state chooses not to adopt specific federal provisions.

## [Internal Revenue Code](#)

Florida maintains its relationship with the federal Internal Revenue Code by annually adopting the IRC as it exists on January 1.<sup>237</sup> By doing this, Florida adopts any changes related to determining federal taxable income that were made during the previous year by Congress. However, the Legislature may choose to not adopt or to “decouple” from particular changes made to the IRC in the prior year, and instead specify its own treatment of the issue, or allow the previous IRC treatment to continue for Florida tax purposes. Congress did not enact any significant changes to the IRC in 2024 that would impact Florida as a result of adopting the IRC as amended and in effect on January 1, 2025.

## [Charitable Trusts](#)

Trusts are entities established by a settlor<sup>238</sup> to hold, invest, and distribute property<sup>239</sup> on behalf of one or more beneficiaries,<sup>240</sup> in compliance with the terms of the trust.<sup>241</sup> For a trust to be a charitable trust under Florida law, it must be created for a charitable purpose; for example, the relief of poverty, the advancement of the arts, or the promotion of health purposes.<sup>242</sup>

## [Corporate Income Taxpayers](#)

A threshold issue for the application of Florida’s Corporate Income Tax is whether an entity is a “corporation.” Under current law, all domestic corporations, foreign corporations qualified to do business in Florida, and entities organized under chapters 605 (LLCs), 609 (common-law declarations of trust), 617 (corporations not for profit), 618 (agricultural cooperative marketing associations), 621 (professional service corporations), 622 foreign unincorporated associations), 623 (private school corporations), and any other entities or artificial persons doing business in the state, unless excluded by law, are corporations subject to the corporate income tax.<sup>243</sup>

Excluded entities include proprietorships, partnerships, limited liability companies that are taxed as partnerships at the federal level, state fairs, estates, testamentary trusts, and private trusts.<sup>244</sup> Under current law, trusts other than testamentary or private trusts may be subject to corporate income tax, if they have federal income tax liabilities.

## [Unrelated Business Taxable Income](#)<sup>245</sup>

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<sup>235</sup> Section [220.11\(2\), F.S.](#)

<sup>236</sup> Section [220.12, F.S.](#)

<sup>237</sup> Sections [220.03\(1\)\(n\) and \(2\)\(c\), F.S.](#)

<sup>238</sup> Section [736.0103\(21\), F.S.](#)

<sup>239</sup> Section [736.0103\(18\), F.S.](#)

<sup>240</sup> Section [736.0103\(4\), F.S.](#)

<sup>241</sup> Section [736.0103\(24\), F.S.](#)

<sup>242</sup> Section [736.0405, F.S.](#)

<sup>243</sup> Section [220.03\(1\)\(e\), F.S.](#)

<sup>244</sup> Id.

<sup>245</sup> [Section 512, Internal Revenue Code](#)



Generally, entities that are tax-exempt at the federal level, while considered a taxpayer under state law, only need to file returns and pay corporate income tax if they have “unrelated trade or business taxable income” under s. 512 of the Internal Revenue Code.<sup>246</sup> This is because only unrelated trade or business income is taxable income at the federal level for nonprofit entities, and Florida’s corporate income tax uses federal taxable income as the starting point for state calculations.<sup>247</sup>

### [Strong Families Tax Credit Program](#)

The Strong Families Tax Credit Program, established in [s. 402.62, F.S.](#), was created in 2021 to provide tax credits for businesses that make monetary donations to certain eligible charitable organizations that provide services focused on child welfare and well-being. A tax credit may be used to offset the following tax liabilities:

- Severance Tax.
- Sales and Use Tax Direct Pay Permitholders.
- Corporate Income Tax.
- Beverage Tax.
- Insurance Premiums Tax.

An eligible charitable organization is an organization designated by the Department of Children and Families (DCF); eligible to receive funding from the program; and meets specific eligibility requirements provided in law.<sup>248</sup> In part, the organization must annually submit to the Department of Children and Families:<sup>249</sup>

- An audit of the eligible charitable organization conducted by an independent certified public accountant in accordance with auditing standards generally accepted in the United States, government auditing standards, and rules adopted by the Auditor General.
- A copy of the eligible charitable organization’s most recent federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990).

### [Internal Revenue Service Informational Return Form 990](#)

Tax-exempt organizations, nonexempt charitable trusts, and section 527 political organizations file Form 990 to provide the IRS with information required by federal law.<sup>250</sup> Such information includes gross income, receipts, and disbursements, and other information the Secretary of the Treasury prescribes for the purpose of carrying out the internal revenue laws.<sup>251</sup>

Exemption from the requirement to file Form 990 is provided to organizations that have gross receipts below \$200,000 or total assets of less than \$500,000 at the end of the tax year. In addition to this broad exemption from the filing requirement, the following organizations may be exempt:

- Religious, governmental, or political organizations.
- Organizations with limited gross receipts.
- Organizations that file different kinds of annual information returns.<sup>252</sup>

### [Health Care Hospitality Homes](#)

Health care hospitality homes provide lodging at significantly reduced costs to patients and their caregivers while

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<sup>246</sup> [Rule 12C-1.022\(1\)\(e\), F.S.](#)

<sup>247</sup> Section [220.13\(2\), F.S.](#)

<sup>248</sup> Section [402.62\(2\), F.S.](#)

<sup>249</sup> Section [402.62\(3\), F.S.](#)

<sup>250</sup> Internal Revenue Service, *About Form 990, Return of Organization Exempt from Income Tax*, available at <https://www.irs.gov/forms-pubs/about-form-990>

<sup>251</sup> 26 U.S. Code s. 6033.

<sup>252</sup> Internal Revenue Service, *Instructions for Form 990 Return of Organizations Exempt from Income Tax (2024)*, available at [https://www.irs.gov/instructions/i990#en\\_US\\_2024\\_publink11283jd0e846](https://www.irs.gov/instructions/i990#en_US_2024_publink11283jd0e846) (last visited April 13, 2025).

the patients receive life-saving medical care away from their home communities. These homes provide an environment created specifically to support patients and their caregivers dealing with health care issues. Most health care hospitality homes have shared kitchens, common living areas, and private bedrooms and bathrooms. Health care hospitality homes help alleviate the financial burden often associated with medical crises and reduce stress on both the patient and family members.<sup>253</sup>

### [Rural Funds](#)

The federal government regulates certain funds that target rural communities through the Federal Rural Business Investment Company and the Small Business Investment Programs.<sup>254,255</sup>

Rural Business Investment Companies (RBIC) and Small Business Investment Companies (SBIC) are privately owned and managed investment funds that are licensed and regulated by the U.S. Department of Agriculture and Rural Development<sup>256</sup> and Small Business Administration (SBA)<sup>257</sup> respectively, that make capital investments in small businesses located in rural communities or other qualifying businesses.

In 2017, Georgia created the Georgia Agribusiness and Rural Jobs Act, which is designed to spur \$100 million in capital investments in rural businesses in the state. In 2018, the program approved five rural funds for a total of \$100 million in capital investment authority. Each of the five funds received \$20 million in investment authority and deployed all of their investment authority. Each of the five funds received tax credits equal to \$3 million per year for a total of \$15 million or a total of \$60 million over four years.<sup>258,259</sup>

### [Cardroom Operators](#)

Cardroom pari-mutuel facilities within the state are allowed to operate poker cardrooms under [s. 849.086, F.S.](#) A cardroom may be operated only at the location specified on the cardroom license issued by the division and such location may only be where the permit holder is authorized to conduct pari-mutuel wagering activities subject to its pari-mutuel permit.<sup>260</sup> Section [849.086\(2\)\(c\), F.S.](#), defines “cardroom” to mean a facility where authorized card games are played for money or anything of value and to which the public is invited to participate in such games and charges a fee for participation by the operator of such facility. Games are played in a non-banking matter; the facility has no stake in the outcome.<sup>261</sup>

### [Cardroom Taxes](#)

Section [849.086\(12\)\(a\), F.S.](#) requires each cardroom operator pay a tax to the Florida Gaming Control Commission (FGCC) of 10 percent of the cardroom operation’s monthly gross receipts. Additionally, an admission tax of 15 percent of the admission charge is imposed on each person entering the cardroom and remitted to the FGCC.<sup>262</sup> The Commission deposits half of the cardroom tax to General Revenue and half to the Pari-Mutuel Wagering Trust Fund.<sup>263</sup>

### [Slot Machine Licensing](#)

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<sup>253</sup> Healthcare Hospitality Network, [History of HHN](#) (last visited Mar. 15, 2025).

<sup>254</sup> 7 U.S.C. s. 2009cc *et seq.*; 7 C.F.R. s. 4290 *et seq.* (2009).

<sup>255</sup> 15 U.S.C. s. 681-688.

<sup>256</sup> U.S. Department of Agriculture and Rural Development, [Rural Business Investment Program](#) (last visited June 19, 2025).

<sup>257</sup> U.S. Small Business Administration, [Become an SBIC](#) (last visited June 19, 2025).

<sup>258</sup> Georgia Department of Community Affairs, [GARJA Annual Report 2021](#) (last visited June 19, 2025).

<sup>259</sup> Ga. Code Annotated s. 33-1-25, *et seq.* (2017).

<sup>260</sup> Section [849.086\(7\)\(a\), F.S.](#)

<sup>261</sup> Section [849.086\(7\)\(c\), F.S.](#)

<sup>262</sup> Section [849.086\(13\)\(b\), F.S.](#)

<sup>263</sup> Section [849.086\(13\)\(c\), F.S.](#)

An application for a license to conduct slot machine gaming may be approved by the commission only after the voters of the county where the applicant's facility is located have authorized by referendum slot machines within pari-mutuel facilities in that county as specified in s. 23, Art. X of the State Constitution.<sup>264</sup> Currently, slot machines are only authorized in eight licensed pari-mutuel facilities located in Miami-Dade and Broward counties and on tribal property.<sup>265</sup>

Slot machine licenses are only allowed to be issued to licensed pari-mutuel permitholders, and slot machine gaming may be conducted only at the eligible facility at which the permitholder is authorized under its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities.<sup>266</sup>

Thoroughbred permitholders are required to conduct a full schedule of live racing, as defined in s. [550.002\(10\), F.S.](#), in order to maintain their slot machine license.<sup>267</sup>

The annual license fee for slot machine licensees is \$2 million.<sup>268</sup>

### [Intertrack Wagering Tax on Handle](#)

Current law requires each pari-mutuel permitholder to pay a tax on contributions to pari-mutuel pools, known as "handle," on races or games conducted by the permitholder. The tax is imposed daily and is based on the total contributions to all pari-mutuel pools conducted during the daily performance. If a permitholder conducts more than one performance daily, the tax is imposed on each performance separately.<sup>269</sup>

The tax on handle for intertrack wagering is broken down into the following categories:<sup>270</sup>

- 2.0 percent of the handle if the host track is a horse track.
- 3.3 percent if the host track is a harness track.
- 5.5 percent if the host track is a dog track.
- 7.1 percent if the host track is a jai alai fronton.
- 0.5 percent if the host track and the guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder currently conducting a live race meet.

The tax on handle for intertrack wagering on rebroadcasts of simulcast thoroughbred horse races is 2.4 percent of the handle and 1.5 percent of the handle for intertrack wagering on rebroadcasts of simulcast harness horseraces.

The tax is deposited into the Pari-mutuel Wagering Trust Fund.<sup>271</sup>

### [Local Incentive Programs](#)

The Florida Enterprise Zone Program<sup>272</sup> sunset on December 31, 2015.<sup>273</sup> Local governments employ various

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<sup>264</sup> Section [551.104\(2\), F.S.](#)

<sup>265</sup> Section [551.101, F.S.](#)

<sup>266</sup> Section [551.104\(3\), F.S.](#)

<sup>267</sup> Section [551.104\(4\)\(c\), F.S.](#)

<sup>268</sup> Section [551.103\(1\)\(f\), F.S.](#)

<sup>269</sup> Section [550.0951\(3\), F.S.](#)

<sup>270</sup> Section [550.0951\(3\)\(c\), F.S.](#)

<sup>271</sup> Section [550.0951\(3\)\(c\), F.S.](#)

<sup>272</sup> Found in sections 290.001-[290.016, F.S.](#) (2014)

<sup>273</sup> Section [290.016, F.S.](#) (2014). When the Enterprise Zone Program expired, the Legislature temporarily preserved state incentives for certain businesses with incentive agreements with the state that were located within enterprise zones. See ch. [2015-221, L.O.F.](#)

business and economic development programs. Some of these programs use Enterprise Zone boundaries to determine how incentives are calculated or applied. For example, Miami-Dade County has a Targeted Jobs Incentive Fund intended to spur business activity and promote economic growth in the county. The program awards cash incentives to companies in selected industries that create above-average paying jobs (at least 10 new jobs) and make a capital investment of at least \$3 million. Businesses that expand or relocate within the boundaries of an Enterprise Zone, Targeted Urban Areas, Brownfield areas, or Community Development Block Grant eligible areas are eligible for an additional incentive amount.<sup>274</sup>

In 2017, the Legislature provided that enterprise zone boundaries in existence before December 31, 2015, were preserved for the purpose of allowing local governments to administer local incentive programs within these boundaries through December 31, 2020.<sup>275</sup> In addition, for eligible multi-phase projects for which at least one certificate of use or occupancy was issued before December 31, 2020, (thereby vesting the project's right to the incentive), the boundaries would "continue" for the remaining project phases until completion, but no later than December 31, 2025.

In 2021, the Legislature extended the deadline for a local project to vest until December 31, 2021.<sup>276</sup>

### [Distribution of Sales Tax](#)

The disposition of sales and use taxes, certain communications services taxes, and certain gross receipts taxes<sup>277</sup> is provided for in [s. 212.20, F.S.](#) That statute provides the reallocation of tax revenue to a series of trust funds,<sup>278</sup> distributions to the General Revenue Fund,<sup>279</sup> and other distributions in accordance with other sections of law (e.g., to the Revenue Sharing Trust Funds for Counties and Municipalities).<sup>280</sup>

### [Distribution for Horse Industry](#)

In 2023, the Legislature enacted a provision to distribute \$27.5 million of General Revenue to the Florida Agricultural Promotional Campaign Trust Fund for the promotion of Florida thoroughbred breeding and racing in Florida for two years.<sup>281</sup>

In 2024, the Legislature removed the scheduled repeal of the annual distributions, making them permanent.<sup>282</sup> Under current law, funds are to be distributed on July 1 of each year to the trust fund for specified purposes.

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<sup>274</sup> See <http://www.miamidade.gov/business/targeted-jobs-incentive-fund.asp> (last visited April 10, 2025).

<sup>275</sup> Section 56 of Chapter [2017-36, L.O.F.](#)

<sup>276</sup> Section 3 of Chapter [2021-179, L.O.F.](#)

<sup>277</sup> Section [212.20\(6\), F.S.](#), provides distribution requirements for chapter 212, communications services tax under ss. 202.18(1)(b) and (2)(b), and gross receipts taxes under s. [203.01\(1\)\(a\)3., F.S.](#)

<sup>278</sup> E.g., section [212.20\(6\)\(a\) and \(b\), F.S.](#)

<sup>279</sup> E.g., section [212.20\(6\)\(c\)1., F.S.](#)

<sup>280</sup> E.g., sections [212.20\(6\)\(c\)2., \(d\)3., 4., and 6., F.S.](#)

<sup>281</sup> Section 39 of Chapter [2023-157, L.O.F.](#)

<sup>282</sup> Chapter [2024-158, L.O.F.](#)

Further distributions from the trust fund are made to the following entities:<sup>283</sup>

- \$5 million to the Florida Thoroughbred Breeders' Association, Inc.
- \$5.5 million to Tampa Bay Downs, Inc.
- \$17 million to Gulfstream Park Racing Association, Inc.

#### [Distributions to Cancer and other Medical Research Centers](#)

In 2024<sup>284</sup>, the Legislature created provides a monthly distribution from Alcoholic Beverage and Tobacco tax collections to certain medical research centers and programs. A total annual distribution of \$30 million is allocated as follows:

- \$10 million to the University of Miami Sylvester Comprehensive Cancer Center;
- \$10 million to the Mayo Clinic Comprehensive Cancer Center in Jacksonville;
- \$5 million to the Brain Tumor Immunotherapy Program at the University of Florida Health Shands Cancer Center; and
- \$5 million to the Norman Fixel Institute for Neurological Diseases at the University of Florida.

These funds may be used for constructing, furnishing, equipping, financing, operating, and maintaining research and clinical and related facilities; and furnishing, equipping, operating, and maintaining other properties owned or leased by these medical research centers and programs. Funds may not be used to secure bonds or other forms of indebtedness, and cannot be pledged for debt service.

#### [Taxes on Alcohol Beverage Sales](#)

Florida imposes excise taxes on beer and malt beverages, wines, and other beverages.<sup>285</sup> The taxes are due from manufacturers, distributors and vendors of beer and malt beverages, and from manufacturers and distributors of wine, liquor, and other specified alcoholic beverages. Taxes are remitted to the Division of Alcoholic Beverages and Tobacco (Division) in DBPR.

The Division is responsible for supervising the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of all alcoholic beverages in Florida.<sup>286</sup> Distributions of the excise taxes on alcoholic beverages are made to the General Revenue Fund, the Alcoholic Beverage and Tobacco Trust Fund, and Viticulture Trust Fund. Collections of alcoholic beverage taxes are forecasted to be \$297.6 million in Fiscal Year 2024-2025 with distributions to General Revenue of \$292 million.<sup>287</sup>

#### [Medical Research](#)

The National Cancer Institute (NCI) Cancer Centers Program supports cancer research by recognizing centers that meet certain standards for finding new ways to prevent, diagnose, and treat cancer. There are 72 NCI-designated cancers centers across 36 states and the District of Columbia. Florida has four NCI-designated cancer centers: the Sylvester Comprehensive Cancer Center, the University of Florida Shands Cancer Center, the Mayo Clinic Cancer Center, and the Moffitt Cancer Center.<sup>288</sup>

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<sup>283</sup> Section [571.265\(3\), F.S.](#)

<sup>284</sup> Section 48 of Chapter [2024-158, L.O.F.](#)

<sup>285</sup> Sections [563.05, F.S.](#) [564.06, F.S.](#), and [565.12, F.S.](#)

<sup>286</sup> Section [561.02, F.S.](#)

<sup>287</sup> [General Revenue Consensus Estimating Conference Comparison Report dated January 16, 2024](#), p. 24, (last visited June 17, 2025).

<sup>288</sup> National Cancer Institute, [NCI-Designated Cancer Centers](#) (last visited June 17, 2025); National Cancer Institute, [Find a Cancer Center](#) (last visited June 17, 2025).

The Sylvester Comprehensive Cancer Center in Miami is part of the University of Miami Health System and the University of Miami Miller School of Medicine. Sylvester has a team of over 2,500 physicians and staff and is currently conducting more than 430 cancer-focused clinical trials.<sup>289</sup> The center has multidisciplinary research programs such as cancer epigenetics, cancer control, and tumor biology.<sup>290</sup>

The Mayo Clinic Cancer Center is the only NCI-designated cancer center that has three geographic sites. It was one of the first centers to receive NCI designation in 1973. Florida's Mayo Clinic Cancer Center is in Jacksonville and the other two locations are in Arizona and Minnesota. Research covers many topics such as cancer immunology and immunotherapy, experimental therapeutics, gastrointestinal cancer, and women's cancer.<sup>291</sup>

Within the University of Florida Shands Cancer Center there is the Brain Tumor Immunotherapy Program, which studies and develop several approaches to the immunologic treatment of pediatric and adult malignant brain tumors.<sup>292</sup> Immunotherapy, also called biologic therapy, is a type of cancer treatment designed to boost the body's natural defenses to fight the cancer.<sup>293</sup>

Additionally, at the University of Florida, there is the Norman Fixel Institute for Neurological Diseases.<sup>294</sup> The Institute provides multi-disciplinary, patient-centered care and treatment to people living with complex neurological disorders and treats diseases such as Parkinson's disease, multiple sclerosis, Alzheimer's disease, and essential tremor.<sup>295</sup>

### [Documentary Stamp Tax](#)

The documentary stamp tax imposes an excise tax on deeds or other documents that convey an interest in Florida real property. The tax comprises two taxes imposed on different bases at different tax rates. The first tax rate is 70 cents on each \$100 of consideration for deeds, instruments, or writings whereby lands, tenements, or other real property or interests that are granted, assigned, transferred, conveyed, or vested in a purchaser.<sup>296</sup> The second tax rate is 35 cents per each \$100 of consideration for certificates of indebtedness, promissory notes, wage assignments, and retail charge account agreements.<sup>297</sup> Revenue collected from the documentary stamp tax is divided between the General Revenue Fund and various trust funds<sup>298</sup> according to the statutory formula in [s. 201.15, F.S.](#)

Section [201.15, F.S.](#), prescribes the distribution of revenues from the documentary stamp tax, after payments on certain outstanding bonds and a distribution to the Land Acquisition Trust Fund. The remaining revenues from the excise tax on documents are distributed to various trust funds, including the State Housing and Local Government Housing Trust Funds, and the State Transportation Trust Fund.

Since 1992, documentary stamp tax collections have been annually deposited into the State Housing Trust Fund and the Local Government Housing Trust Fund for affordable housing programs. In Fiscal Year 2023-24 this amounted to \$149.4 million deposited into the Local Government Housing Trust Fund and \$63.7 million into the State Housing Trust Fund. These funds have historically been appropriated each year for the State Housing Initiatives Partnership program and the State Apartment Incentive Loan program.

### [General Revenue Service Charge](#)

<sup>289</sup> Sylvester Comprehensive Cancer Center, [About Sylvester](#) (last visited June 17, 2025).

<sup>290</sup> National Cancer Institute, [Sylvester Comprehensive Cancer Center](#) (last visited June 17, 2025).

<sup>291</sup> National Cancer Institute, [Mayo Clinic Cancer Center](#) (last visited June 17, 2025).

<sup>292</sup> University of Florida, [UF Brain Tumor Immunotherapy Program](#) (last visited June 17, 2025).

<sup>293</sup> *Id.*

<sup>294</sup> University of Florida, [Normal Fixel Institute for Neurological Diseases](#) (last visited June 17, 2025).

<sup>295</sup> University of Florida, [About the Fixel Institute](#) (last visited June 17, 2025).

<sup>296</sup> Section [201.02, F.S.](#)

<sup>297</sup> Section [201.07, F.S.](#) and Section [201.08, F.S.](#)

<sup>298</sup> The Land Acquisition Trust Fund, the State Transportation Trust Fund, the State Economic Enhancement and Development Trust Fund, the General Inspection Trust Fund, the Water Protection and Sustainability Program Trust Fund, the Resilient Florida Trust Fund, the State Housing Trust Fund, the Local Government Housing Trust Fund, and the Grants and Donations Trust Fund in COM.



A service charge of eight percent is assessed on revenue income from most trust funds in the state and is deposited into the General Revenue Fund. This service charge represents the estimated pro rata share of the cost of general government paid from the General Revenue Fund. Revenue income includes all earnings received or credited by such trust funds, including the interest or benefit received from the investment of the principal of such trust funds as may be permitted by law.<sup>299</sup> Certain income and trust funds are exempt from this service charge.<sup>300</sup>

### State [Housing Trust Fund](#)

The State Housing Trust Fund, administered by Florida Housing Finance Corporation,<sup>301</sup> is “to be used for new construction and substantial rehabilitation of housing, to improve the state’s ability to serve first-time homebuyers, and to increase the affordability and availability of the housing stock in the State of Florida.”<sup>302</sup> The 1992 Sadowski Act increased documentary stamp tax rates and provided for a certain proportion of documentary stamp tax revenues to be distributed to the State Housing Trust Fund.

### [Documentary Stamp Tax Distributions – Transportation](#)

Since 2005, the Department of Transportation has received distributions of the lesser of \$466.75 million or 20.5453 percent in each fiscal year in the State Transportation Trust Fund as follows:

- Ten percent of the funds must be used for Capital funding for the New Starts Transit Program authorized by [Title 49, U.S.C. s. 5309](#) and specified in [s. 341.051, F.S.](#), which is designed to assist local governments in developing and constructing fixed-guideway and bus rapid transit projects in Florida.
- Ten percent of the funds must be used for the Small County Outreach Program specified in [s. 339.2818, F.S.](#) This program assists small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.
- Seventy five percent of the funds, after deduction of the payments required for the New Starts Transit Program and the Small County Outreach Program, must be used for the Strategic Intermodal System specified in [s. 339.61, F.S.](#), [s. 339.62, F.S.](#), [s. 339.63, F.S.](#), and [s. 339.64, F.S.](#)
- Twenty five percent of the funds, after deduction of the payments required for the New Starts Transit Program and the Small County Outreach Program, must be used for the Transportation Regional Incentive Program specified in [s. 339.2819, F.S.](#)

### [State Transportation Trust Fund](#)

Section [206.46, F.S.](#), authorizes the creation of the State Transportation Trust Fund (STTF), which is used by FDOT to account for the administration of the maintenance and development of the state highway system and other transportation related projects. STTF’s primary revenue sources from state taxes and fees include fuel taxes and motor vehicle license related fees.<sup>303</sup> Current projections by the Revenue Estimating Conference of these state revenues deposited into the STTF total \$4.9 billion for Fiscal Year 2025-26.<sup>304</sup>

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<sup>299</sup> Section [215.20, F.S.](#)

<sup>300</sup> See section [215.22, F.S.](#), for list of exempt revenue and trust funds.

<sup>301</sup> [Chapter 92-317, ss. 1-35, L.O.F.](#); Section [420.0005, F.S.](#)

<sup>302</sup> [Chapter 88-376, s. 2, L.O.F.](#)

<sup>303</sup> Florida Department of Transportation, [Florida’s Transportation Tax Sources](#) (last visited June 19, 2025).

<sup>304</sup> Revenue Estimating Conference Transportation Revenues Conference, [Revenues to State Transportation Trust Fund](#) (last visited June 19, 2025).

## [New Starts Transit Program](#)

The New Starts Transit Program was established by the 2005 Florida Legislature to assist local governments in developing and constructing fixed-guideway and bus rapid transit projects to accommodate and manage urban growth and development. A secondary purpose of the program is to leverage state funds to generate local transportation revenues and secure Federal Transit Administration New Starts Program funding for Florida projects.<sup>305</sup>

State funding to support the New Starts Transit Program comes from documentary stamp tax distributions and certain motor vehicle registration transactions.<sup>306</sup>

## [Transportation Regional Incentive Program](#)

The Transportation Regional Incentive Program was created as part of major growth management legislation enacted during the 2005 Legislative Session. The purpose of the program is to encourage regional planning by providing state matching funds for improvements to regionally significant transportation facilities identified and prioritized by regional partners. FDOT funds 50 percent of the project cost.

## [Florida Rail Enterprise](#)

The Florida Legislature created the Florida Rail Enterprise (FRE) within the Department of Transportation in 2009 to oversee all state-owned passenger rail systems. The FRE has the authority to plan, construct, maintain, repair, and operate a high-speed rail system; acquire rail corridors; and coordinate the development and operation of publicly-funded passenger rail systems in the state.<sup>307</sup>

## [Fiscally Constrained Counties](#)

Fiscally constrained counties are counties entirely within a rural area of opportunity or where a 1 mill levy would raise no more than \$5 million in annual tax revenue.<sup>308</sup> A “rural area of opportunity” is a rural community or a region, as designated by the Governor, that has been adversely affected by an extraordinary economic event, a severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact.<sup>309</sup>

Florida’s fiscally constrained counties are Baker, Bradford, Calhoun, Columbia, Desoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, and Washington.<sup>310</sup>

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<sup>305</sup> Florida Department of Transportation, [Resource Guide for Transit and Transit-Related Programs](#) (last visited June 19, 2025).

<sup>306</sup> Section [320.072, F.S.](#)

<sup>307</sup> Section [341.303\(5\), F.S.](#)

<sup>308</sup> Section [218.67\(1\), F.S.](#)

<sup>309</sup> Section [288.0656\(2\)\(d\), F.S.](#)

<sup>310</sup> Florida Department of Revenue, [Fiscally Constrained Counties](#) (last visited June 19, 2025).

[Property Tax Refunds for Properties Rendered Inhabitable](#)

During the 2022 Legislative Session, the Legislature created [s. 197.319, F.S.](#), to provide for the prorated refund of property taxes on residential properties rendered uninhabitable by a catastrophic event.<sup>311</sup> Section [197.319, F.S.](#), defines “catastrophic event” as an event of misfortune or calamity that renders one or more residential improvements uninhabitable, the term does not include an event caused, directly or indirectly, by the property owner with the intent to damage or destroy the residential improvement.<sup>312</sup>

If a residential property is rendered uninhabitable for 30 days or more by a catastrophic event, the property owner may be refunded a portion of their property taxes for the time the property was uninhabitable. To do so, the property owner must file an application for refund with the property appraiser.<sup>313</sup>

If the property owner fails to file the application by the statutory March 1 deadline due to particular extenuating circumstances, they may file an application for refund and may file a petition to the value adjustment board requesting that the refund be granted.<sup>314</sup>

[Recent Catastrophic Events](#)

*Hurricane Debby*

Hurricane Debby made landfall near Steinhatchee, Florida as a Category 1 hurricane on August 5, 2024. Flooding and storm surge destruction impacted fiscally constrained counties such as Suwanee and Madison counties.<sup>315</sup> The storm’s total impact resulted in estimated insured losses of approximately \$131.0 million in 2024.<sup>316</sup>

*Hurricane Helene*

On September 26, 2024, Hurricane Helene made landfall in Taylor County as a category 4 hurricane, maintaining hurricane-force winds across northern Florida.<sup>317</sup> Multiple fiscally constrained counties were declared eligible to receive federal disaster assistance including Taylor, Madison and Jefferson county.<sup>318</sup> The storm’s total impact resulted in estimated insured losses of approximately \$2.58 billion in 2024.<sup>319</sup>

*Hurricane Milton*

On October 9, 2024, Hurricane Milton made landfall in Siesta Key as a category 3 hurricane, causing widespread damage across the state of Florida.<sup>320</sup> While the storm primarily affected densely populated urban areas, it caused significant damage in the fiscally constrained counties of Highlands and Hardee. Total estimated insured losses from Hurricane Milton reached approximately \$4.75 billion in 2024.<sup>321</sup>

<sup>311</sup> Ch. 2022-97, s. 14, L.O.F.

<sup>312</sup> Section [197.319\(1\)\(a\), F.S.](#)

<sup>313</sup> Section [197.319\(2\), F.S.](#)

<sup>314</sup> Section [197.319\(4\), F.S.](#)

<sup>315</sup> National Weather Service Tallahassee, [September 2024 Newsletter](#) (last visited June 18, 2025).

<sup>316</sup> Florida Office of Insurance Regulation, [Catastrophe Reporting Tools and Data](#) (last visited June 18, 2025).

<sup>317</sup> Florida Climate Center, [“Hurricane Helene Summary Report”](#) (last visited June 18, 2025).

<sup>318</sup> Louisiana Disaster Recovery Center, [“Florida: Hurricane Helene”](#) (last visited June 18, 2025).

<sup>319</sup> Florida Office of Insurance Regulation, [Catastrophe Reporting Tools and Data](#) (last visited June 18, 2025).

<sup>320</sup> National Hurricane Center, [“Tropical Cyclone Report: Hurricane Milton \(AL142024\)”](#) (last visited June 18, 2025).

<sup>321</sup> Florida Office of Insurance Regulation, [Catastrophe Reporting Tools and Data](#) (last visited June 18, 2025).

[Audit](#)

The Department has the authority to audit and examine the accounts, books, or records of all persons who are subject to the revenue laws of this state.<sup>322</sup> Under current law, for communications services tax and sales tax, the Department must wait 60 days after sending a written notice of intent to audit books and records before beginning most audit activities.<sup>323</sup>

**Fiscal Year 2025-26 Estimated Revenue Impacts**

The Revenue Estimating Conference has not yet estimated the potential revenue impacts of many of the provisions of the bill. Staff estimates the total state and local government impact of the bill in Fiscal Year 2025-26 to be -\$2,039.3 million (-\$1,993.6 million recurring), of which -\$786.7 million (-\$998.2 million recurring) is on General Revenue, -\$269.3 million (-\$285.8 million recurring) is on state trust funds, and -\$548.7 million (-\$709.6 million recurring) is on local government (see following table). Nonrecurring state and local government impacts in years beyond FY 2025-26 total -\$2.7 million and -\$0.6 million, respectively. Total tax reductions embodied in the language are represented by the sum of the recurring impacts, reflecting the annual value of permanent tax cuts when fully implemented, and the pure nonrecurring impacts, reflecting temporary tax reductions. The total of -\$2,042.6 million in tax reductions in the bill is the sum of -\$1,993.6 million (recurring) and -\$49.0 million (pure nonrecurring).

<sup>322</sup> Section [213.34, F.S.](#)  
<sup>323</sup> Sections [202.34\(4\)\(a\), F.S.](#) and [212.13\(5\)\(a\), F.S.](#)

**Fiscal Year 2025-26 Estimated Fiscal Impacts (Millions of \$)**

Tax Package	FY 2025-26							
	General Revenue		State Trust Funds		Local/Other		Total	
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
Sales Tax: Business Rent Tax repeal	(678.6)	(904.8)	(**)	(**)	(467.2)	(622.9)	(1,145.8)	(1,527.7)
Sales Tax: Back-to-School Holiday permanent (August)	(167.7)	(167.7)	(*)	(*)	(49.3)	(49.3)	(217.0)	(217.0)
Sales Tax: Exemption for certain batteries	(48.8)	(58.5)	(*)	(*)	(14.3)	(17.2)	(63.1)	(75.7)
Sales Tax: Exemption for fire extinguishers, smoke detectors, and carbon monoxide detectors	(10.4)	(12.5)	(*)	(*)	(3.0)	(3.6)	(13.4)	(16.1)
Sales Tax: Exemption for portable generators (≤ 10k watts)	(5.2)	(6.2)	(*)	(*)	(1.5)	(1.8)	(6.7)	(8.0)
Sales Tax: Exemption for sunscreen and insect repellent	(6.7)	(8.0)	(*)	(*)	(2.0)	(2.4)	(8.7)	(10.4)
Sales Tax: Exemption for tarpaulins and other flexible waterproof sheeting	(12.0)	(14.4)	(*)	(*)	(3.5)	(4.2)	(15.5)	(18.6)
Sales Tax: Exemption for Ground anchor systems/tie-down kits, and gas/diesel fuel cans	(18.6)	(22.3)	(*)	(*)	(5.4)	(6.5)	(24.0)	(28.8)
Sales Tax: Exemption for life jackets	(1.2)	(1.4)	(*)	(*)	(0.2)	(0.3)	(1.4)	(1.7)
Sales Tax: Exemption for bicycle helmets	(1.5)	(1.8)	(*)	(*)	(0.5)	(0.6)	(2.0)	(2.4)
Sales Tax: Exemption for state park admissions	(1.7)	(2.0)	(*)	(*)	(0.5)	(0.6)	(2.2)	(2.6)
Sales Tax: Florida Hunting, Fishing and Camping Sales Tax Holiday	(34.6)	-	(*)	-	(10.2)	-	(44.8)	-
Sales Tax: Exemption for gold, silver, platinum bullion	(1.6)	(1.6)	(*)	(*)	(0.5)	(0.6)	(2.1)	(2.2)
Sales Tax: Exemption for NASCAR Championship Race admissions	-	0/(**)	-	0/(**)	-	0/(**)	-	0/(**)
Sales Tax: Forwarding Agents - administrative updates	-	-	-	-	-	-	-	-
Sales Tax: Redirect distribution for horse breeding	-	-	-	-	-	-	-	-
Sales Tax: Data center exemption extension; increase qualifying capacity	-	(**)	-	(**)	-	(**)	-	(**)
Corp. Inc. Tax: Adoption of the Internal Revenue Code	-	-	-	-	-	-	-	-
Corp. Inc. Tax: Exempt charitable trusts	(1.1)	(1.1)	-	-	-	-	(1.1)	(1.1)
Multiple Taxes: Home Away From Homes Tax Credit	(13.0)	(13.0)	-	-	-	-	(13.0)	(13.0)
Multiple Taxes: Strong Families IRS Form 990	-	-	-	-	-	-	-	-
Multiple Taxes: Rural Communities Investment Program	(7.0)	(7.0)	-	-	-	-	(7.0)	(7.0)
Ad Valorem: Modify land-lease exemption - add Housing Finance Authorities	-	-	-	-	-	(1.1)	-	(1.1)
Ad Valorem: Modify land-lease exemption - certain subleases qualify for exemption	-	-	-	-	-	(*)	-	(*)
Ad Valorem: New affordable housing ex. - state owned lands	-	-	-	-	-	(2.3)	-	(2.3)
Ad Valorem: New affordable housing ex. - government owned lands	-	-	-	-	-	(**)	-	(**)
Ad Valorem: Extend 99-year affordable housing with FHFC agreements exemption to projects with agreements with a local Housing Finance Authority	-	-	-	-	-	(**)	-	(**)
Ad Valorem: Allow successive owners to receive missing middle exemption	-	-	-	-	-	-	-	-
Ad Valorem: Value adjustment board hearings - evidence exchange	-	-	-	-	-	-	-	-
Ad Valorem: Value adjustment board hearings - max. allowable filing fee from \$15 to \$50	-	-	-	-	0/**	0/**	0/**	0/**
Ad Valorem: Value adjustment board hearings - remote hearings	-	-	-	-	-	(**)	-	(**)
Ad Valorem: Value adjustment board hearings - appeal deadline for roll extension	-	-	-	-	-	(**)	-	(**)
Ad Valorem: Gold Seal education exemption property lease	-	-	-	-	-	(4.2)	-	(4.2)
Ad Valorem: Tangible personal property exemption - flight simulators	-	-	-	-	-	(0.9)	-	(0.9)
Ad Valorem: TPP salvage value 2025 - citrus packing and processing	-	-	-	-	(0.8)	-	(0.8)	-
Ad Valorem: Agricultural classification extension for citrus property under quarantine program	-	-	-	-	-	(0.1)	-	(0.1)
Tourist Dev. Tax: Allow all counties to use TDT for beach lifeguards	-	-	-	-	-	-	-	-
Tourist Dev. Tax: Allow coastal fisc. constrained counties to use TDT for infrastructure projects	-	-	-	-	-	-	-	-
Local CST: Extend rate freeze to 2031	-	-	-	-	(0.3)	(1.0)	(0.3)	(1.0)
Local CST: Spending prioritization on permitting	-	-	-	-	-	-	-	-
Local Option Tax: Allow counties and school boards to reduce or repeal certain sales surtaxes	-	-	-	-	-	0/(**)	-	0/(**)
Enterprise Zones: Enterprise Zone extension to Dec. 2035 for local economic development	-	-	-	-	-	-	-	-
Fuel Tax: Aviation Fuel Tax repeal	(0.7)	(2.2)	(8.4)	(25.0)	-	-	(9.1)	(27.2)
Fuel Tax: Natural Gas Fuel Tax levy delay from January 1, 2026, to January 1, 2030	(*)	-	(0.1)	-	(*)	-	(0.1)	-
Pari-Mutuel Taxes: Reduce Cardroom Tax from 10% to 8%	(2.5)	(2.5)	(2.1)	(2.1)	-	-	(4.6)	(4.6)
Pari-Mutuel Taxes: Clarify tax rate on handle for intertrack wagering	-	-	-	-	-	-	-	-
Pari-Mutuel Taxes: Eliminate slot machine licensing fee for Thoroughbred Permitholders	-	-	(2.0)	(2.0)	-	-	(2.0)	(2.0)
Beverage Taxes: Distributions to Medical Centers	(28.5)	(27.9)	-	-	10.0	10.0	(18.5)	(17.9)
Doc Stamp Tax: Eliminate permanent New Starts Transit Program distribution	106.7	106.7	(106.7)	(106.7)	-	-	-	-
Doc Stamp Tax: Eliminate permanent State Housing TF distribution; restore GR service charge	150.0	150.0	(150.0)	(150.0)	-	-	-	-
Administration: DOR pre-audit preparation	-	-	-	-	-	-	-	-
Administration: Cross-reference correction	-	-	-	-	-	-	-	-
Administration: Overpayment/delinquency clarification	-	-	-	-	-	-	-	-
Appropriation: Fiscally Constrained Counties 2024 property tax refunds for damaged properties	(0.5)	-	-	-	0.5	-	-	-
Appropriation: Home Away From Home tax credit implementation	(0.2)	-	-	-	-	-	(0.2)	-
Appropriation: Property Tax Study	(1.0)	-	-	-	-	-	(1.0)	-
2025-26	(786.3)	(998.2)	(269.3)	(285.8)	(548.7)	(709.6)	(1,604.3)	(1,993.6)

(\*) Impact is less than \$100,000

(\*\*) Impact is indeterminate

Pure Nonrecurring  
Recurring + Pure Nonrecurring

(45.7)

(2,039.3)

Nonrecurring Current/Out-year Impacts	General Revenue		State Trust Funds		Local/Other		Total	
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
Fuel Tax: Natural gas fuel tax delay	(0.4)	-	(2.3)	-	(0.6)	-	(3.3)	-
Total	(0.4)	-	(2.3)	-	(0.6)	-	(3.3)	-
Bill Total	(786.7)	(998.2)	(271.6)	(285.8)	(549.3)	(709.6)	(1,607.6)	(1,993.6)

Pure Nonrecurring (49.0)  
Recurring + Pure Nonrecurring (2,042.6)

**RECENT LEGISLATION:**

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	<a href="#">CS/HB 7073</a>	McClain		Ch. 2024-158, L.O.F.; created a one-year phase in of natural gas fuel tax in 2026; adopted the Internal Revenue Code (IRC) for Corporate Income Tax (CIT) Purposes; made the distribution to the Horse Industry permanent; created \$30m recurring distributions to medical centers; provided distribution to reimburse Fiscally Constrained Counties for property tax refunds
2023	<a href="#">CS/SB 102</a>	Busatta	Calatayud	Ch. 2023-17, L.O.F.; Live Local Act, created new affordable housing exemptions for property tax and redirected a general revenue service charge to the State Housing Trust Fund
2023	<a href="#">HB 7063</a>	McClain		Ch. 2023-157, L.O.F.; created a three-year freeze for local CST rates; delayed the tax on natural gas fuel until 2026; reduced the sales tax rate on commercial leases to 4.5%; adopted the IRC for CIT Purposes; created a temporary distribution for the Horse Industry
2022	<a href="#">CS/HB 7071</a>	Payne		S. 19, Ch. 2022-97, L.O.F.; Exempted Daytona 500 races from the sales tax on admissions; adopted the IRC for CIT Purposes
2021	<a href="#">HB 7061</a>	Payne		Ch. 2021-31, L.O.F.; created freight forwarding agent provisions; extended the Data Center sales tax exemption for 5 years
2021	<a href="#">HB 7059</a>	Payne		Ch. 2021-242, L.O.F.; adopted the IRC for CIT Purposes