

FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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BILL #: [HB 215](#)

TITLE: Ad Valorem Taxation

SPONSOR(S): Albert

COMPANION BILL: None

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Select Committee on Property
Taxes](#)
23 Y, 10 N



[State Affairs](#)



[Ways & Means](#)

SUMMARY

Effect of the Bill:

The bill allows any accrued Save Our Homes benefit (the difference between the assessed value and the just or fair market value of a homestead) held by each spouse to transfer to a new home after marriage, up to the existing \$500,000 limitation. This change would apply to all ad valorem taxes.

The bill also provides that a two-thirds vote of the governing body of a county, municipality, or independent special district is required to pass any millage rate increase, except where a higher vote threshold is already required under current law.

The bill provides emergency rulemaking authority to the Department of Revenue.

Except as otherwise provided, the bill is effective January 1, 2027, and first applies to the 2027 ad valorem tax roll.

Fiscal or Economic Impact:

The Revenue Estimating Conference (REC) estimated the changes to transfers of Save Our Home benefits in the bill to have a negative cash impact of \$44.5 million (-\$16.4 million School and -\$28.1 million Non-School), and a negative recurring impact of \$112.6 million (-\$41.5 million School and -\$71.1 million Non-School) on local property tax revenues in FY 2027-28. The REC adopted an impact of \$0 for changes to the vote thresholds for millage rates, as the Conference does not account for future changes in the enactment of those taxes in its baseline forecast.

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ANALYSIS

EFFECT OF THE BILL:

The bill allows any accrued [Save Our Homes benefit](#) (the difference between the [assessed value](#) of a [homestead property](#) as limited by the Constitution and the just or fair market value) to transfer, or “[port](#)” to a new joint home within three years after a marriage, up to the existing \$500,000 limitation on transferred benefits. This change would apply to all [ad valorem taxes](#).

The bill also changes the [voting threshold](#) for a local government to increase its [millage rate](#). The bill provides that a two-thirds vote of the governing body of a county, municipality, or independent special district is required to pass any millage rate increase, except where a higher vote threshold is already required under current law. These changes do not affect the [maximum millage rate](#) that can be levied by a local government, nor do they affect the calculation of the [rolled-back rate](#).

STORAGE NAME: h0215a.SPT

DATE: 11/20/2025

RULEMAKING:

The bill provides emergency rulemaking authority to the Department of Revenue, effective upon the act becoming a law. The emergency rulemaking authority expires July 1, 2028.

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:

LOCAL GOVERNMENT:

The Revenue Estimating Conference (REC) estimated the changes to transfers of Save Our Home benefits in the bill to have a negative cash impact of \$44.5 million (-\$16.4 million School and -\$28.1 million Non-School), and a negative recurring impact of \$112.6 million (-\$41.5 million School and -\$71.1 million Non-School) on local property tax revenues in FY 2027-28.¹ The REC adopted an impact of \$0 for changes to the vote thresholds for millage rates, as the Conference does not account for future changes in the enactment of those taxes in its baseline forecast.²

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Save Our Homes Benefit](#)

The Florida Constitution³ provides that, for those entitled to a homestead exemption, the assessed value of the homestead for all levies shall be changed annually on January 1st of each year. Those changes in assessments cannot exceed the lesser of three percent of the prior year’s assessment or the percent change in the Consumer Price Index⁴ for the preceding calendar year.⁵ This cap on the allowable increase in the assessed value is colloquially called the Save Our Homes (SOH) assessment limitation, and the accumulated difference between the assessed value and the just value is frequently called the SOH benefit.⁶

[Assessed Value](#)

The assessed value of property is the annual determination of the value of a parcel of property for property tax purposes.⁷ If it is newly acquired property, the assessed value is generally the just or fair market value of the property.⁸ If the property is real property that has been owned for more than one year, then the assessed value is generally the value of the property from the prior year, adjusted for changes in just or fair market value, with assessment increases limited pursuant to assessment limitations found in the Florida Constitution (generally 3% or the change in the consumer price index for homestead property, or 10% for non-homestead property).⁹ The

¹ The impact to local government revenues adopted by the REC for the portability provision of HB 215 is available on the Office of Economic and Demographic Research’s [website](#), and includes the impact by county (each county’s impact is the total impact to the county government, all municipal governments, and all special districts within that county).

² The impact to local government revenues adopted by the REC for the voting thresholds for millage changes provision of HB 215 is available on the Office of Economic and Demographic Research’s [website](#); no county level data was adopted as the statewide impact was \$0.

³ As amended by Constitutional Amendment 10 (1992), commonly referred to as the “Save Our Homes” initiative.

⁴ Specifically, the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports.

⁵ FLA. CONST. art. VII, s. 4(d)(1), implemented by section [193.155, F.S.](#)

⁶ See Fla. Dept. of Revenue, Save Our Homes Assessment Limitation and Portability Transfer Brochure, <http://floridarevenue.com/property/Documents/pt112.pdf> (last visited November 1, 2025).

⁷ [S. 192.001\(2\), F.S.](#)

⁸ [S. 192.001\(2\)\(a\), F.S.](#)

⁹ [S. 192.001\(2\)\(b\), F.S.](#)

Florida Constitution authorizes the Legislature to provide for assessment of certain property based on its particular use.¹⁰ For example, property classified as agricultural is assessed based upon specific factors related to its agricultural use.¹¹

Homestead Property

Homestead property is real estate (real property) for which a person, on January 1, has the legal or beneficial title and who in good faith makes the property his or her permanent residence (or the permanent residence of another legally or naturally dependent on him or her).¹² The property may be owned jointly, as tenancy by the entireties, or otherwise in common with others, and can be apportioned among such shared owners.¹³ Only one homestead exemption is allowed to any one person or on any one dwelling house.¹⁴ Individual condominium owners, however, can each qualify for a separate homestead designation.¹⁵

Portability

If there is a change in ownership¹⁶ and a new homestead is established, the property must be assessed at just value as of January 1 of the year following the change unless the new owner transfers a SOH benefit from a previous homestead to the new homestead.¹⁷ The ability to transfer the SOH benefit is known as portability. A homestead property owner may transfer up to \$500,000 of the SOH benefit to the new homestead if the owner received a homestead exemption as of January 1 in any of the immediately preceding three years.¹⁸ If the just value of the new homestead property is less than the just value of the previous homestead property, the amount of SOH benefit that may be ported is proportionally reduced.¹⁹

Ad Valorem Taxes

The ad valorem tax or “property tax” is an annual tax levied by counties, municipalities, school districts, and some special districts. The Florida Constitution reserves to local governments the authority to levy ad valorem taxes on real and tangible personal property.²⁰ Ad valorem taxes are levied annually by local governments based on the value of real and tangible personal property as of January 1 of each year.²¹

The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,²² and provides for specified assessment limitations, property classifications, and exemptions.²³ After the property appraiser considers any assessment limitation or use classification affecting the just value of a parcel of real property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.²⁴

¹⁰ FLA. CONST. art VII, s. 4(a), (b) and (c)

¹¹ [S. 193.461, F.S.](#)

¹² FLA. CONST. art VII, s. 6(a) and [s. 196.031\(1\)\(a\), F.S.](#)

¹³ [S. 196.031\(1\)\(a\), F.S.](#)

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ A change of ownership is any sale, foreclosure, or transfer of legal title or beneficial title in equity to any person. See [s. 193.155\(3\), F.S.](#)

¹⁷ FLA. CONST. art. VII, s. 4(d)(3)

¹⁸ FLA. CONST. art. VII, s. 4(d)(8)(a); [s. 193.155\(8\), F.S.](#) The three-year timeframe is calculated from the time the old homestead exemption is abandoned and not the sale of the old homestead.

¹⁹ [S. 193.155\(8\)\(b\), F.S.](#)

²⁰ FLA. CONST. art VII, ss. 1(a), 9(a)

²¹ Section [192.001\(12\), F.S.](#), defines “real property” as land, buildings, fixtures, and all other improvements to land. The terms “land,” “real estate,” “realty,” and “real property” may be used interchangeably. [S. 192.001\(11\)\(d\), F.S.](#), defines “tangible personal property” as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b) of the Florida Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

²² FLA. CONST. art VII, s. 4

²³ FLA. CONST. art VII, ss. 3, 4, and 6

²⁴ [S. 196.031, F.S.](#)

Unless expressly exempted from taxation, all real and personal property and leasehold interests in the state are subject to taxation.²⁵ The Florida Constitution limits the Legislature's authority to grant an exemption or assessment limitation from taxes,²⁶ and any modifications to existing ad valorem tax exemptions or limitations must be consistent with the constitutional provision authorizing the exemption or limitation.²⁷

Voting Thresholds for Millage Rates

In 2007, the Legislature created a formula using the rolled-back rate to determine the maximum millage rate (and implicitly a maximum revenue) that could be levied by a non-school taxing authority governing board by a simple majority vote.²⁸

The maximum millage rate that most non-school taxing authorities can levy by a simple majority vote is the rolled-back rate, assuming the previous year's maximum millage rate was actually levied, as adjusted by the change in Florida per capita personal income.²⁹ Local governments are allowed to override this maximum rate by extraordinary votes of their governing boards or by referendum.

In practice, a local government has four options when adopting a millage rate, with the following voting thresholds for each option:

- It can decrease the rate by a simple majority;³⁰
- It can adopt any rate lower than or equal to the rolled-back rate based on the previous year's maximum millage rate, adjusted for change in per capita Florida personal income, by a simple majority,³¹ which may result in a higher millage rate than the previous year based on those allowable adjustments;
- It can increase a rate to not more than 110 percent of the rolled-back rate based on the previous year's maximum millage rate, adjusted for change in per capita Florida personal income, if approved by a *two-thirds* vote of the membership of the governing body of the taxing authority;³² or
- It can increase the rate in excess of 110 percent of the adjusted rolled-back rate, up to the constitutional limit, if approved by a *unanimous* vote of the membership of the governing body of the taxing authority or by a *three-fourths* vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.³³

Millage Rate

The "millage rate" is the rate set by local governments each year that is applied to the taxable value of property in order to calculate ad valorem taxes. A "mill" is one-thousandth of a United States dollar.³⁴ Millage can refer to a single rate levied by one local government, or to the collective levy of all local governments that may levy on a single property (e.g., a county, city, school board, and/or special districts).³⁵ Chapter 200, F.S., "Determination of Millage," generally governs the process, procedures, and limitations on the establishment of millage rates by units of local government with ad valorem taxing authority.

²⁵ [S. 196.001, F.S.](#); see also *Sebring Airport Authority v. McIntyre*, 642 So. 2d 1072, 1073 (Fla. 1994), noting exemptions are strictly construed against the party claiming them.

²⁶ *Archer v. Marshall*, 355 So. 2d 781, 784 (Fla. 1978).

²⁷ *Sebring Airport Auth. v. McIntyre*, 783 So. 2d 238, 248 (Fla. 2001); *Archer v. Marshall*, 355 So. 2d 781, 784 (Fla. 1978); *Am Fi Inv. Corp v. Kinney*, 360 So. 2d 415 (Fla. 1978); see also *Sparkman v. State*, 58 So. 2d 431, 432 (Fla. 1952).

²⁸ Ch. 2007-321, Laws of Fla.

²⁹ [S. 200.065\(5\), F.S.](#) The calculation of Florida per capita personal income is to be provided by the Office of Economic and Demographic Research, per [s. 200.001\(8\)\(j\), F.S.](#)

³⁰ [S. 200.065\(5\)\(a\), F.S.](#)

³¹ *Id.*

³² [S. 200.065\(5\)\(a\)1., F.S.](#)

³³ [S. 200.065\(5\)\(a\)2., F.S.](#)

³⁴ [S. 192.001\(10\), F.S.](#)

³⁵ *Id.*

Maximum Millage Rate

The Florida Constitution prescribes specific maximum millage rates that can be levied by each local government, except for special districts.³⁶ The maximum millage rate that can be charged by a special district is determined by law approved by vote of the electors.³⁷ The Constitution prohibits the levy of ad valorem taxes in excess of:

- Ten mills for county purposes;
- Ten mills for municipal purposes;
- Ten mills for school purposes; and
- One mill for water management district purposes, except for the Northwest Florida Water Management District, which is limited to .05 mills.³⁸

Property taxes levied for the payment of bonds and taxes levied for periods not longer than two years, when authorized by a vote of the electors, are not subject to millage limitations.³⁹

Rolled-Back Rate

A central concept in the process of setting millage rates is the “rolled-back rate,” as defined in [s. 200.065\(1\), F.S.](#), which is:

[A] millage rate which, exclusive of new construction, additions to structures, deletions, increases in the value of improvements that have undergone a substantial rehabilitation which increased the assessed value of such improvements by at least 100 percent, property added due to geographic boundary changes, total taxable value of tangible personal property within the jurisdiction in excess of 115 percent of the previous year's total taxable value, and any dedicated increment value, will provide the same ad valorem tax revenue for each taxing authority as was levied during the prior year less the amount, if any, paid or applied as a consequence of an obligation measured by the dedicated increment value.

If a local government levies a property tax rate in excess of the rolled-back rate, such levy must be characterized as a tax increase in the authorizing resolution or ordinance and in the advertisement required prior to adoption of a final millage rate and budget.⁴⁰

RECENT LEGISLATION:

YEAR	BILL #	HOUSE/SENATE SPONSOR(S)	OTHER INFORMATION
2024	CS/CS/HB 1195 - Millage Rates	Garrison	The bill passed the House, but died in the Senate.

³⁶ FLA. CONST. art. VII, s. 9(b)

³⁷ *Id.*

³⁸ FLA. CONST. art. VII, s. 9. A mill is equal to \$1 per \$1,000 of value, or .001. A tax rate of 10 mills is equal to 1%.

³⁹ FLA. CONST. art. VII, s. 9(b)

⁴⁰ [S. 200.065\(2\)\(d\) and \(3\)\(a\), F.S.](#)

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Select Committee on Property Taxes	23 Y, 10 N	11/20/2025	Aldridge	Berg
State Affairs Committee				
Ways & Means Committee				