

The Florida Senate  
**COMMITTEE MEETING EXPANDED AGENDA**

**FINANCE AND TAX**  
**Senator Avila, Chair**  
**Senator Gruters, Vice Chair**

**MEETING DATE:** Wednesday, February 5, 2025  
**TIME:** 3:00—4:30 p.m.  
**PLACE:** 301 Senate Building

**MEMBERS:** Senator Avila, Chair; Senator Gruters, Vice Chair; Senators Bernard, Gaetz, Jones, and Passidomo

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
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1	Presentation - Overview of Florida State Taxes		
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Other Related Meeting Documents

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# Florida State Tax Overview

THE  
FLORIDA  
SENATE

February 5, 2025



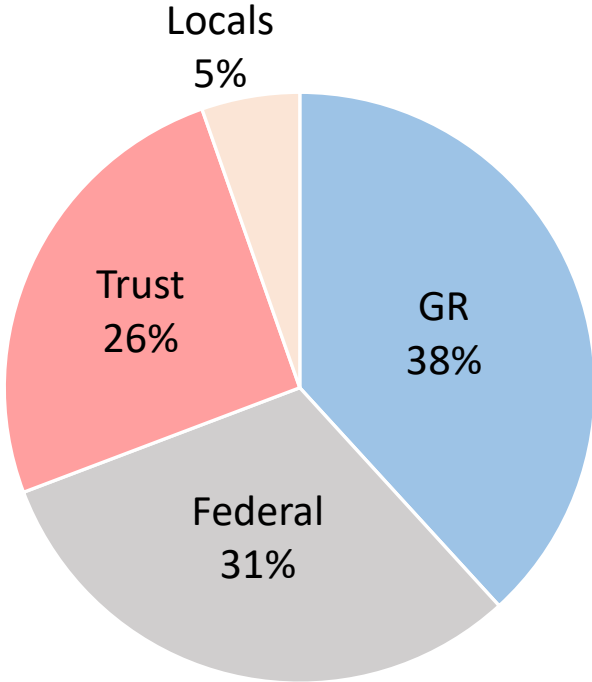
# Florida's Taxes and Fees

- Overview
- Comparison with other states
- Tax sources
- Historical collections
- Current forecast
- Recent tax packages

# Overview

Florida’s state revenues of \$127.5 billion in FY 23-24 consist of:

- General Revenue \$48.5 billion
- Federal Assistance \$39.7 billion
- Trust Funds \$32.4 billion
- Shared with Locals \$ 6.9 billion

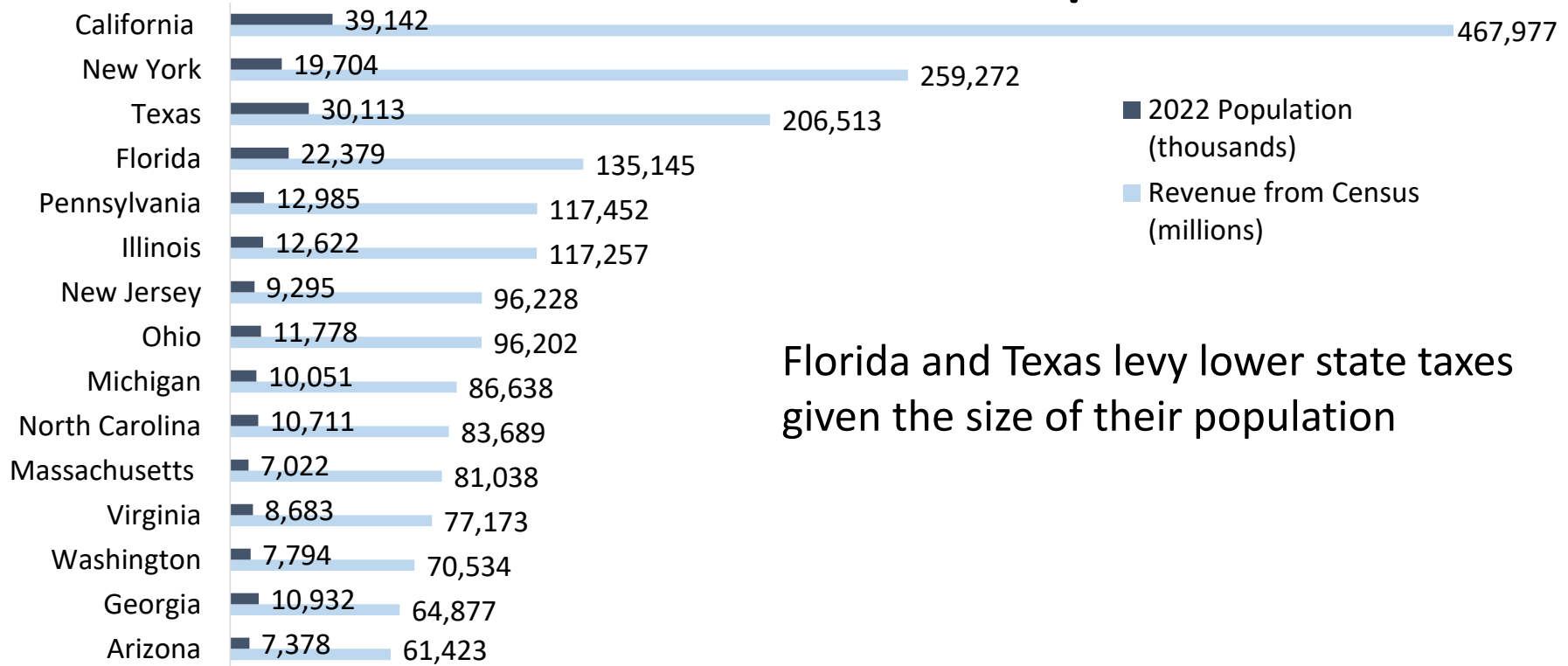


# What is taxed?

- Tax liability is based on:
  - Purchases of goods and services
  - Corporate income
  - Employment / production / business formation
  - Ownership or transfer of property
- Fees are based on:
  - Charges for government services / privileges / regulations



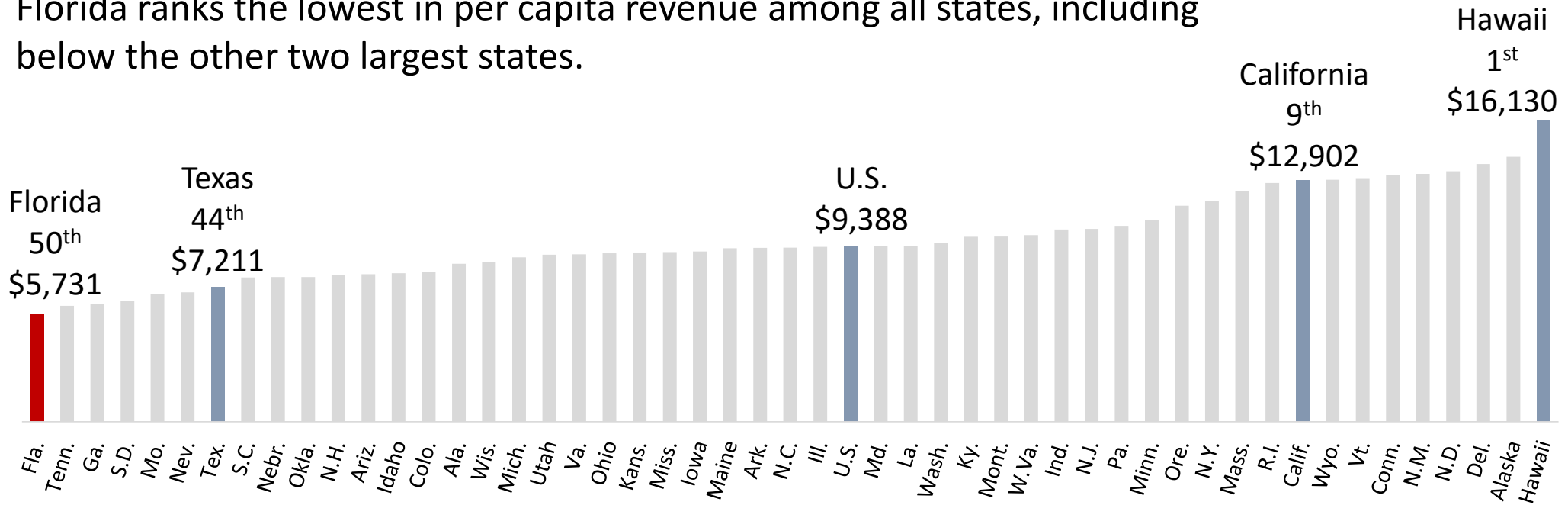
# Florida's Revenue Comparison



Florida and Texas levy lower state taxes given the size of their population

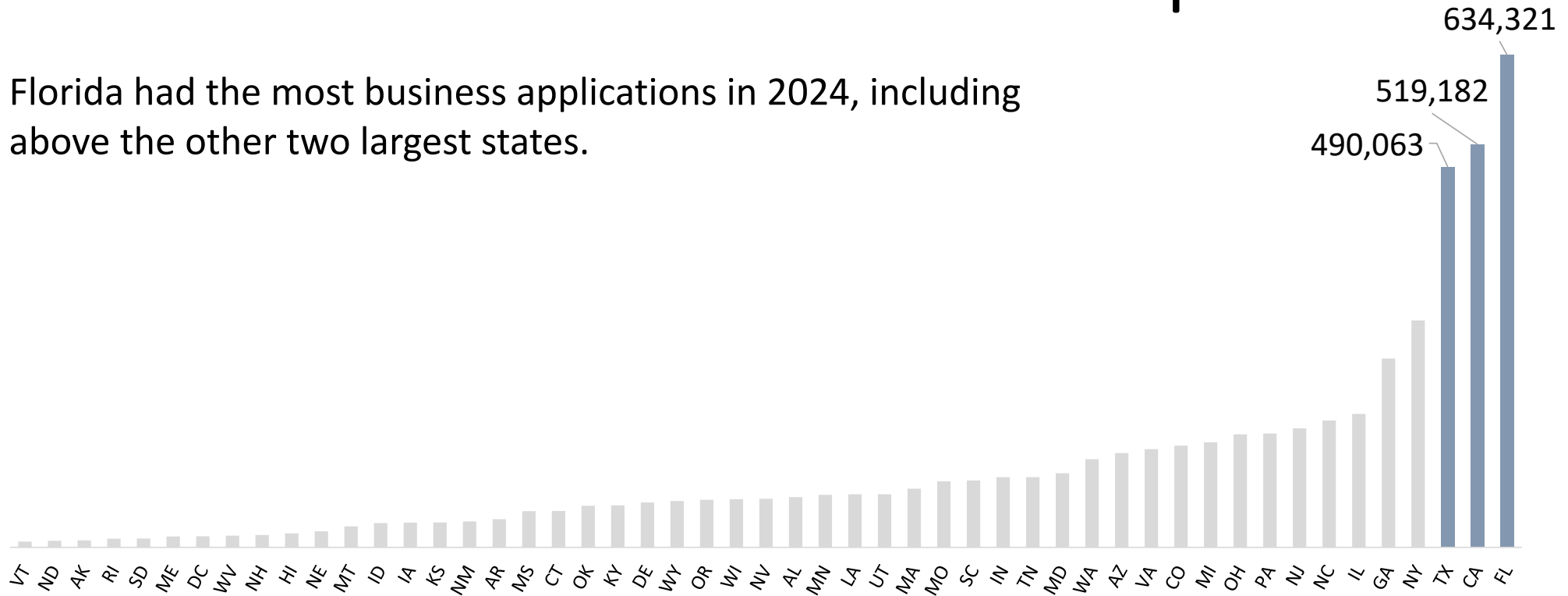
# Florida's Revenue Comparison

Florida ranks the lowest in per capita revenue among all states, including below the other two largest states.



# Florida's Business Formation Comparison

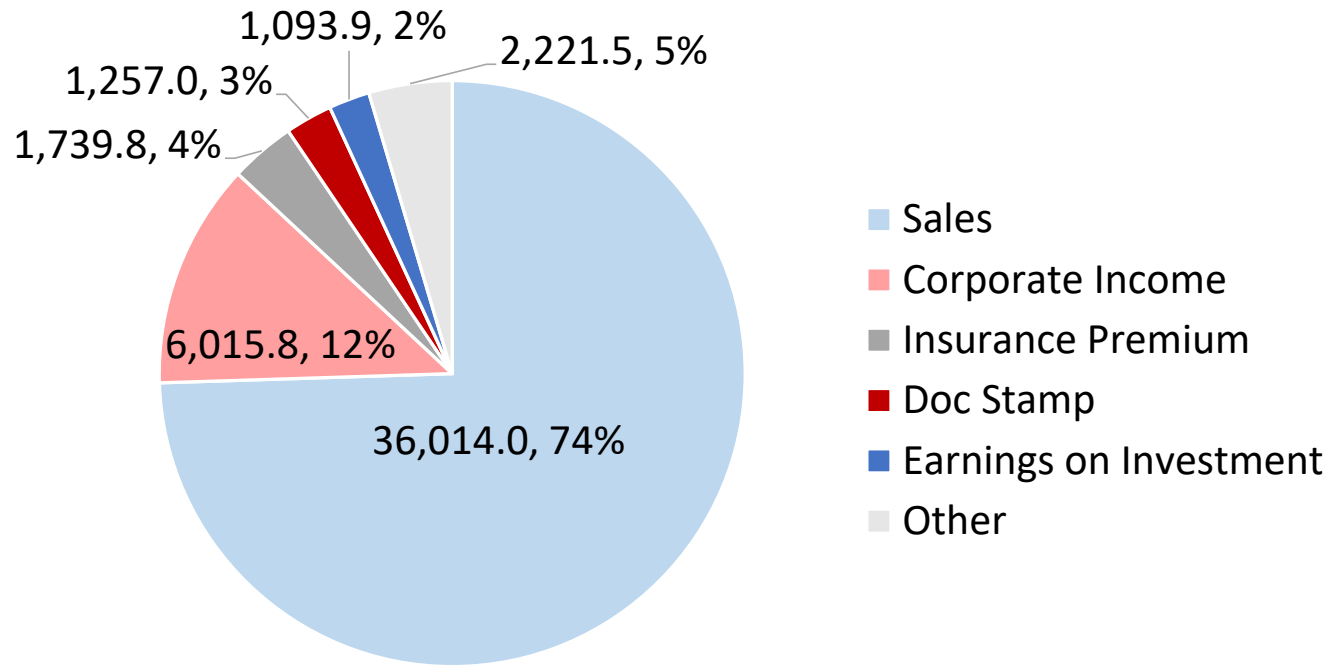
Florida had the most business applications in 2024, including above the other two largest states.





# General Revenue Top 5 Tax Sources

Fiscal Year 2023-2024 (\$ in millions)



# Top 5 Tax Sources

Sales and Use Tax	6 percent tax on the sale or rental of most items of tangible personal property, admissions, transient rentals, and a limited number of services, as well as a 2 percent tax on commercial leases. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale. Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.
Corporate Income Tax	5.5 percent tax on certain income of corporations and financial institutions doing business in Florida. 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.
Doc Stamp Tax	Tax on certain documents executed, delivered, or recorded in Florida. The most common examples are documents that transfer an interest in Florida real property, such as deeds and mortgages, and written obligations to pay money, such as promissory notes. The tax on deeds and other documents related to real property is 70 cents per \$100, and the tax on written obligations to pay money is 35 cents per \$100. The tax levied on written obligations to pay money may not exceed \$2,450.
Insurance Premium Tax	A 1.75 percent tax on most Florida insurance premiums, a one percent tax on annuity premiums, and a 1.6 percent tax on self-insurers. In addition, some insurers pay a retaliatory tax to the extent the insurer's state of domicile would impose a greater tax burden than Florida imposes.
Earnings on Investment	The Division of Treasury within the Department of Financial Services manages Florida's investment portfolio, which includes General Revenue and trust fund balances. Cash balances that are not needed for day-to-day transactions are invested.

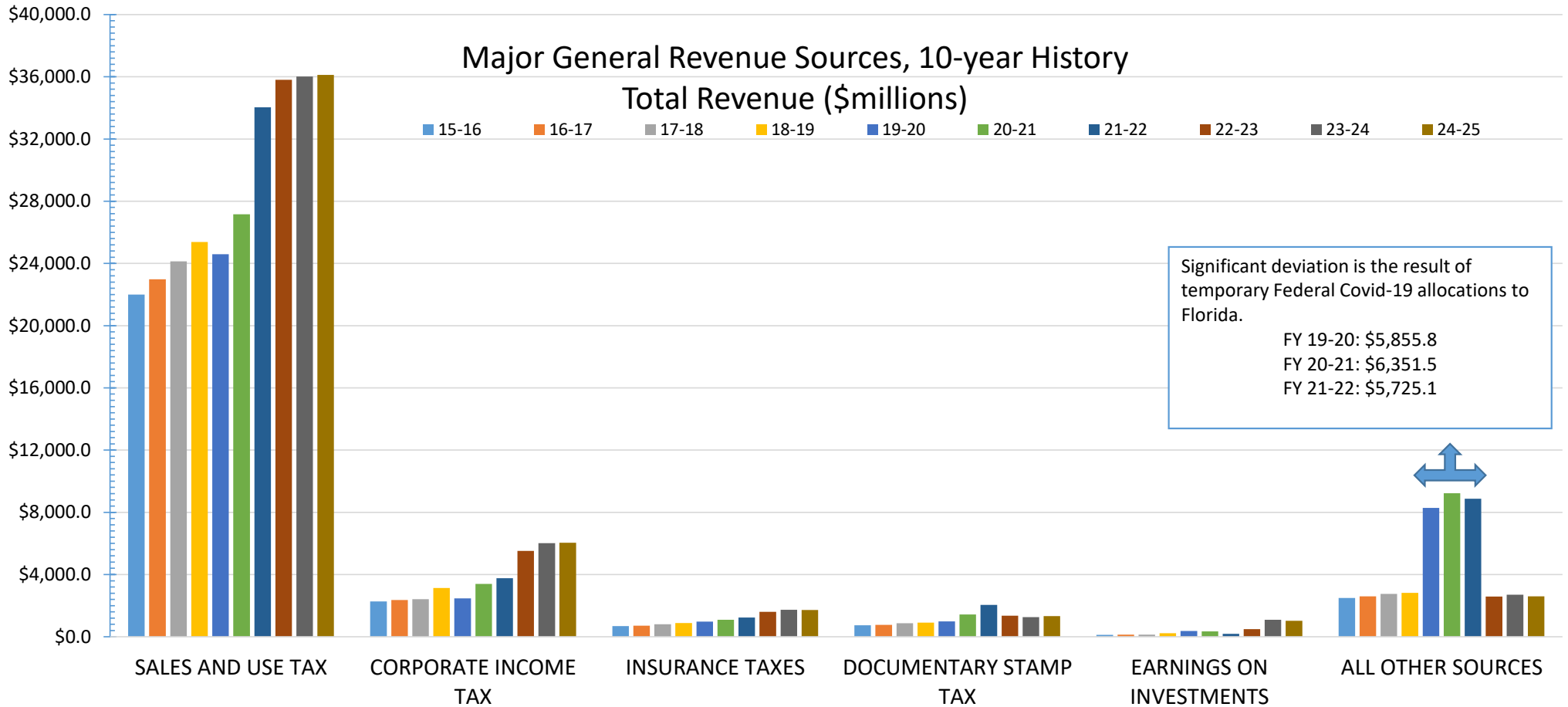


# All General Revenue Sources (\$ in millions)

Revenue Source	FY 2023-2024	FY 2024-2025	Change	FY 2025-2026	Change
	Actual	Forecast		Forecast	
Sales Tax	36,014.0	36,120.3	96.6	37,353.5	408.1
Corporate Income Tax	6,015.8	6,049.4	283.0	6,046.9	179.5
Insurance Premium Tax	1,739.8	1,723.0	2.3	1,462.4	-85.5
Doc Stamp Tax	1,257.0	1,325.7	31.2	1,413.1	37.0
Earnings on Investment	1,093.9	1,030.3	546.4	935.6	478.1
Corporate Filing Fees	572.3	590.5	0.0	610.9	0.0
Intangibles Tax	444.4	464.5	12.8	476.8	15.2
Service Charges	365.1	365.8	10.6	363.3	6.5
Highway Safety Lic. And Fees	350.1	389.0	3.0	425.8	1.4
Beverage Tax & Licenses	345.0	283.3	38.0	275.8	22.6
Counties' Medicaid Share	310.3	367.4	0.0	413.1	0.0
Other Nonop. Revenue	174.5	182.2	84.9	127.3	29.7
Tobacco Taxes	126.6	118.6	-2.4	109.2	-8.1
Article V Fees	97.2	77.2	12.9	61.1	0.5
Other Taxes and Fees	61.0	55.1	7.2	55.3	7.2
Pari-mutuels Tax	11.3	11.5	0.2	11.7	0.2
Severance Tax	8.1	7.9	-0.5	7.6	-0.6
Indian Gaming Revenue	0.0	30.4	30.4	32.1	32.1
Net Gen. Rev. (Total minus Refunds)	48,342.0	48,515.9	934.3	49,697.1	1,100.2
% Change from Previous Year	2.1%	0.4%		2.4%	

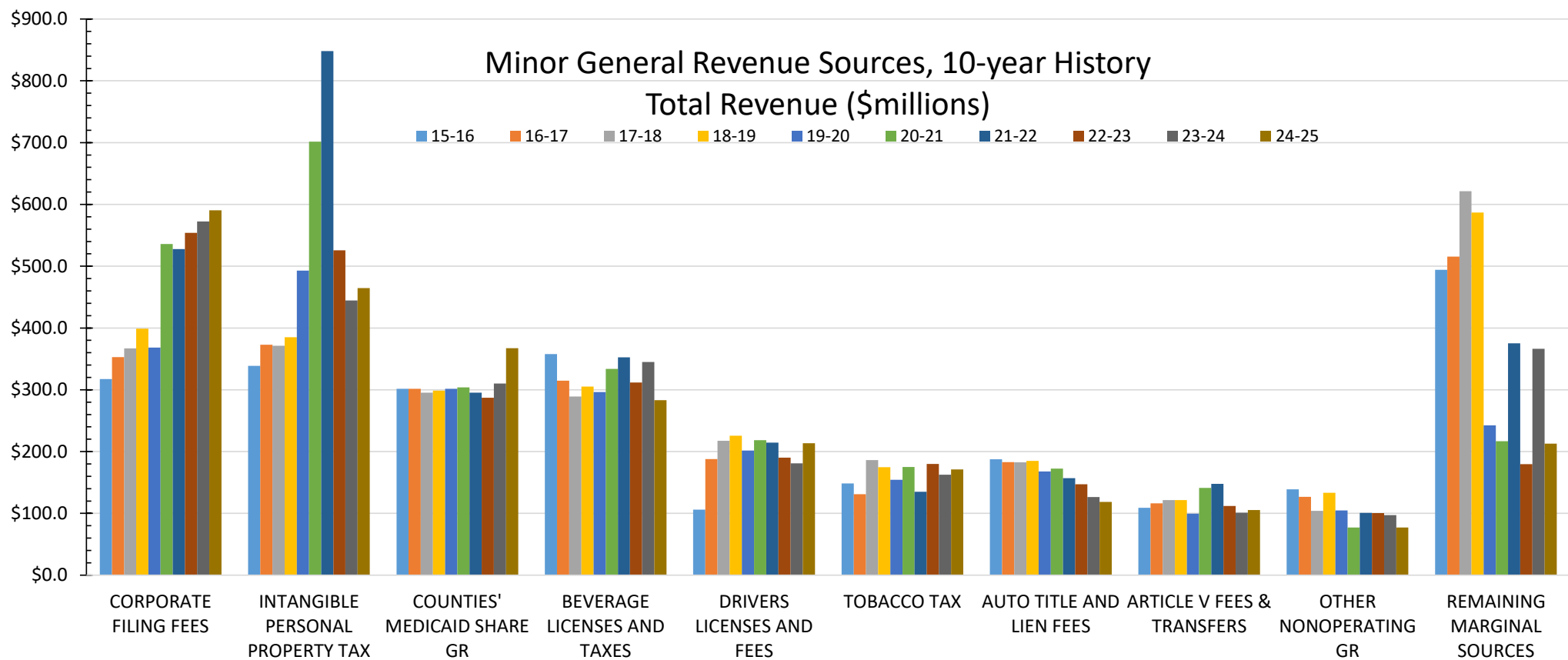
## Major General Revenue Sources, 10-year History

### Total Revenue (\$millions)



Significant deviation is the result of temporary Federal Covid-19 allocations to Florida.

FY 19-20: \$5,855.8  
 FY 20-21: \$6,351.5  
 FY 21-22: \$5,725.1



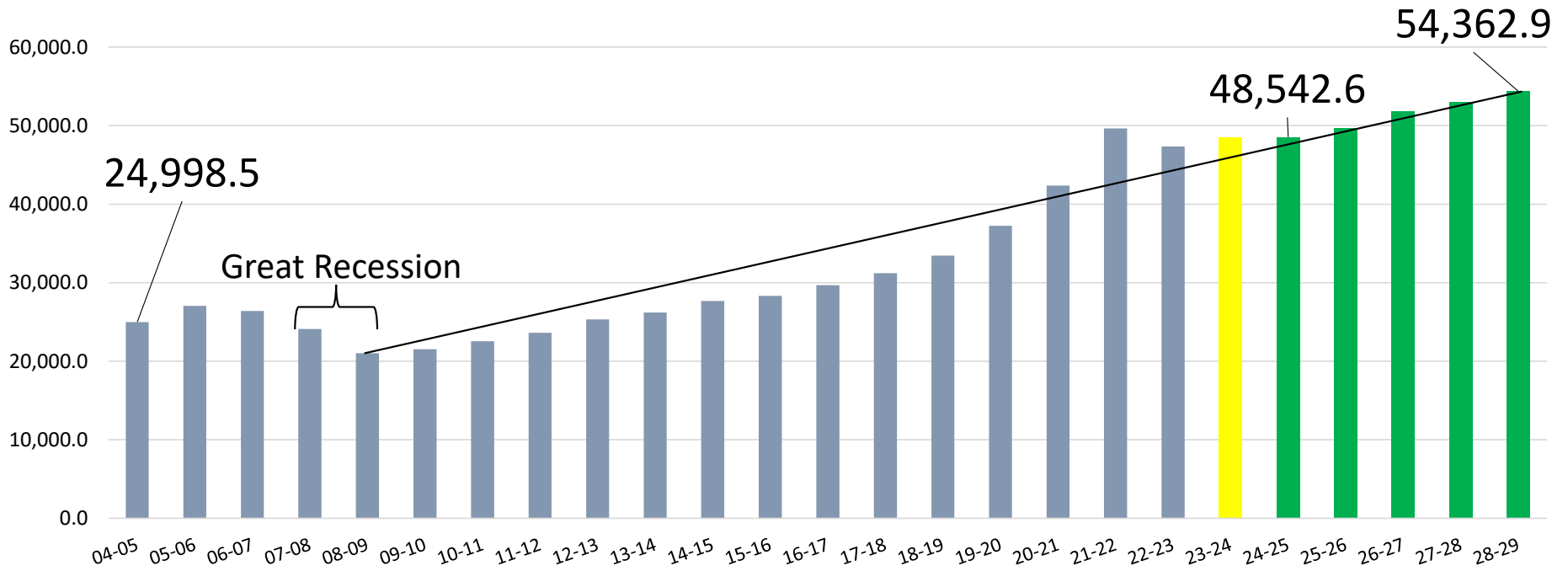
# Consensus Estimating Conferences

- Conference Process
  - Demographic Estimating Conference
  - Economic Estimating Conferences
    - National Economic
    - Florida Economic
- Revenue Estimating Conferences
  - Ad Valorem
  - Article V
  - General Revenue
  - Gross Receipts/CST
  - Highway Safety
  - Indian Gaming
  - Transportation
  - Various Other Conferences



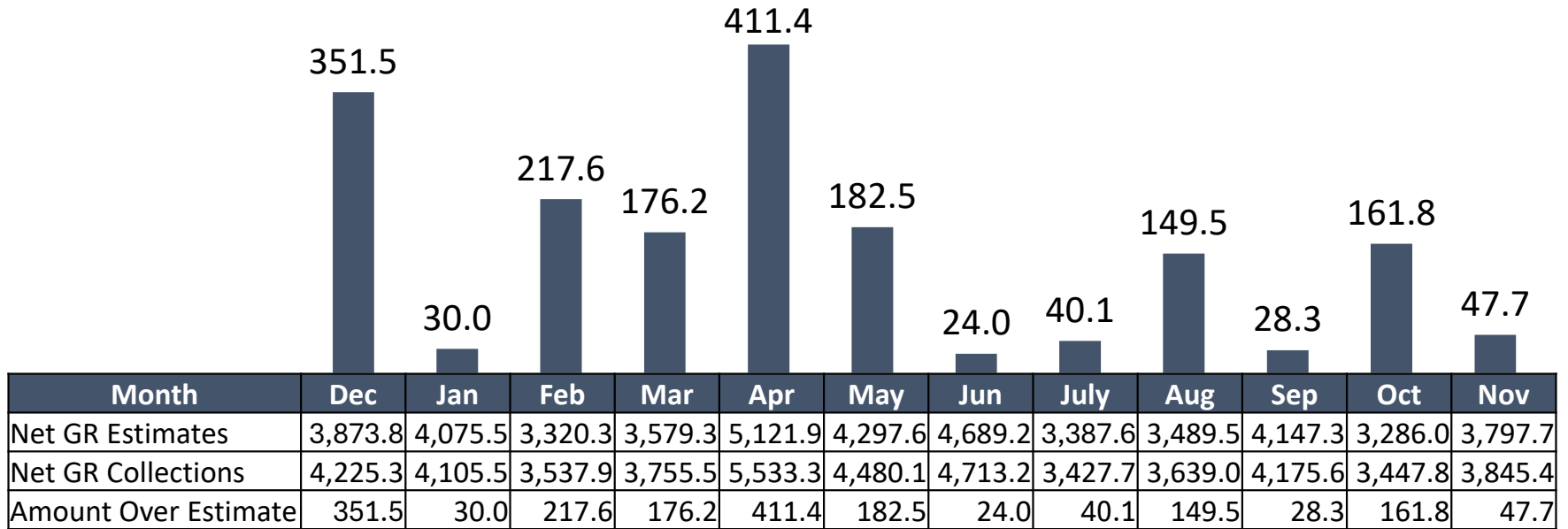
# Current General Revenue Forecast

(\$ in millions)



# Collections vs Estimates

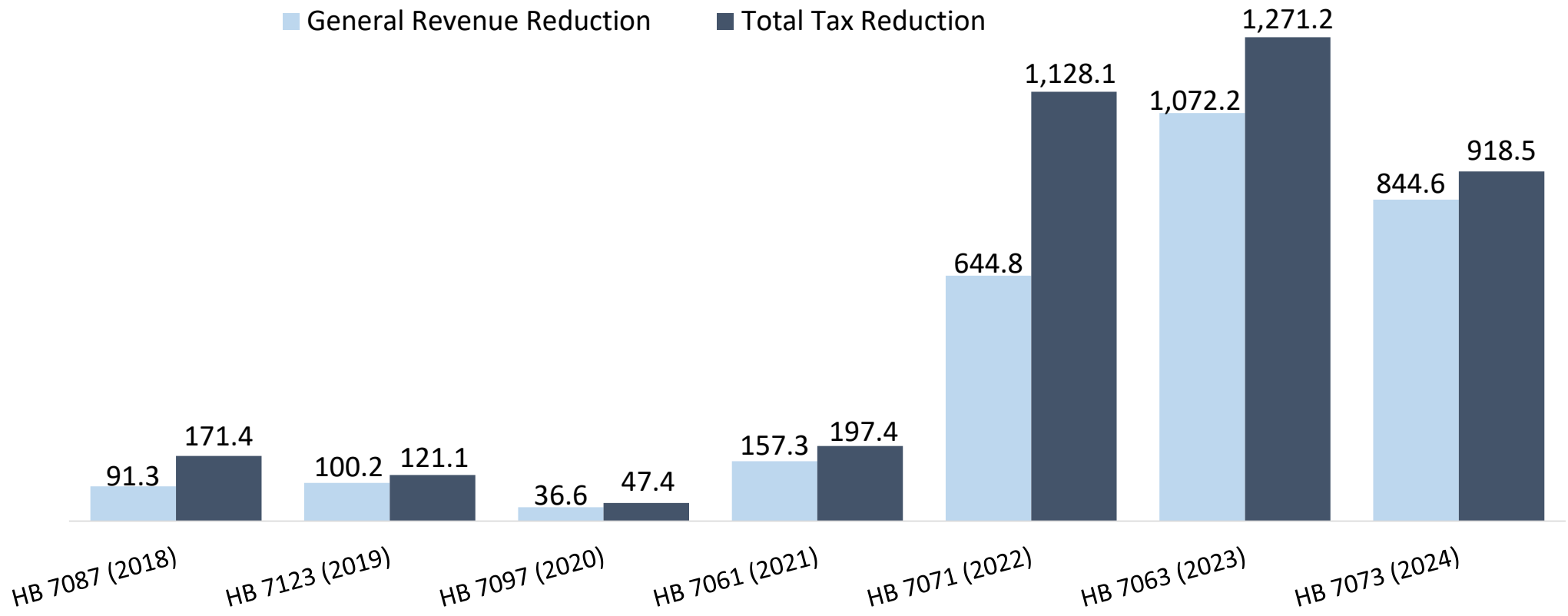
December 2023 to November 2024, (\$ in millions)





# Recent Tax Package Reductions (\$ in millions)

■ General Revenue Reduction   ■ Total Tax Reduction



# Thank you!

Need assistance or have questions?  
Please call us at 850.487.5920

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