

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government--HB 153 increases the Department of Revenue's responsibility to report specific data regarding ad valorem taxation that it is not currently required to report.

B. EFFECT OF PROPOSED CHANGES:

Current situation

Section 195.052, F.S., requires the Department of Revenue (DOR) to conduct constant research and maintain accurate tabulations of data and conditions existing as to ad valorem taxation and to annually publish the data and make recommendations to the Legislature as necessary to ensure that property is valued according to its just value and is equitably taxed throughout the state.

Currently, DOR receives annual tax roll information from all Florida property appraisers as part of its function of overseeing the valuation of property. There are records for approximately 9 million real property parcels reported to DOR. Included on each parcel record is coding describing the type of property, its value, and recent sales information. From this data, DOR is able to describe the types and value of property for each county as a whole.

In addition to the tax roll data, DOR also receives the following:

- As part of a summary information sheet, property appraisers submit to DOR a listing of all taxes being levied in their county, the millage rate levied, and the taxable value levied against. This data, however, contains no information on the composition of property within the taxing jurisdiction.
- DOR also oversees the Truth in Millage (TRIM) setting process for all taxing jurisdictions. In this role, DOR receives rolled back rates and adopted millages from each taxing jurisdiction. Again, there is no indication of the property types within these jurisdictions.

Proposed Change

HB 153 specifies that the data DOR is currently reporting must include:

- The annual percentage increase in total nonvoted ad valorem taxes levied by each city, county, and local taxing authority.
- Information on the distribution of ad valorem taxes levied among the various classifications of property, including homestead, nonhomestead residential, new construction, commercial, and industrial properties.
- The previous year's adopted millage rate, the current year's millage rate, and the current percentage increase in taxes levied above the rolled-back rate.

In order for DOR to describe the tax distribution by type of property for each taxing jurisdiction as required by HB 153, property appraisers would have to include in the data submitted to DOR an indication of each taxing jurisdiction in which each parcel is located. This would require reprogramming on the part of both DOR and the property appraisers.

HB 153 also requires this data to be published, at a minimum, on DOR's website and on the websites of all property appraisers if such technology is available since some property appraisers currently do

not have website technology. The data currently required to be reported by DOR is published in the Florida Property Valuations and Tax Data Book.¹

C. SECTION DIRECTORY:

Section 1. Amends s. 195.052, F.S., to specify requirements for data to be published by the Department of Revenue.

Section 2. Provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

See fiscal comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

DOR estimates the fiscal impact of HB 153 will be \$200,000 (non-recurring) assuming that there is no additional requirement for website development. There should be no additional fiscal impact if HB 153 did not require information on distributions of taxes by property type to extend below the county level to include this amount of required detail to the individual taxing authorities. In any event, DOR would publish the additional data in a form such as the current Data Book since this current information is currently published in this format.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Although HB 153 will require the slight expenditure of money since the bill requires all property appraisers to publish data on their website, the amendment adopted by the Audit and Performance Committee on March 7, 2007, will likely result in an insignificant impact since it requires only those property appraisers with website technology to post the data required by HB 153. If the fiscal impact is less than \$1.9 million, the impact is insignificant, and the bill is exempt from the mandate provision.

¹<http://dor.myflorida.com/dor/property/databk.html>

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

DOR has indicated the 60 day timeframe for publication is very short and that 120 day period would be easier to implement.

D. STATEMENT OF THE SPONSOR

No statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On March 7, 2007, HB 153 passed the Committee on Audit and Performance favorably with one amendment. The amendment requires all property appraisers to post the data required by HB 153 on their website if such technology exists since some property appraisers do not have website technology.