

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 153 Ad Valorem Tax Data  
**SPONSOR(S):** Government Efficiency & Accountability Council and Seiler  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 560

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Audit &amp; Performance</u>	<u>6 Y, 0 N</u>	<u>Ferguson</u>	<u>De La Paz</u>
2) <u>Government Efficiency &amp; Accountability Council</u>	<u>10 Y, 0 N, As CS</u>	<u>Ferguson</u>	<u>Cooper</u>
3) <u>Policy &amp; Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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### SUMMARY ANALYSIS

Currently, the Department of Revenue (DOR) is responsible for the research and tabulation of data and conditions existing as to ad valorem taxation. DOR must publish this data annually and make recommendations to the Legislature to ensure that property is valued according to its just value and is equitably taxed throughout the state.

CS/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 and county.
- Information on the distribution of ad valorem taxes levied among the various classifications of property.
- 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.

The bill 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 bill has an effective date of July 1, 2007.

The bill does not appear to have a fiscal impact on state or local government.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

*Provide limited government*--CS/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.
- 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.

##### Proposed Change

CS/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 and county.
- 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.

The bill 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.<sup>1</sup> DOR will publish the additional data required by CS/HB 153 in the same manner that it is currently reporting.

#### 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.

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

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

### D. FISCAL COMMENTS:

None.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Although CS/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 Committee on Audit & Performance 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 CS/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.

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 & 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.

On March 21, 2007, the Government Efficiency & Accountability Council reported HB 153 favorably with a council substitute to incorporate the amendment adopted by the Committee on Audit & Performance and adopted one amendment. The amendment removes DOR's requirement to report the annual percentage increase in total nonvoted ad valorem taxes levied by each local taxing authority; thus, eliminating any fiscal impact on DOR.