

# FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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

<b>BILL #:</b> <a href="#">HJR 1039</a> <b>TITLE:</b> Limitation on the Assessment of Homestead Property <b>SPONSOR(S):</b> Berfield, Anderson	<b>COMPANION BILL:</b> <a href="#">SJR 174</a> (DiCeglie) <b>LINKED BILLS:</b> <a href="#">CS/HB 1041</a> Berfield <b>RELATED BILLS:</b> <a href="#">SJR 1190</a> (Ingoglia)
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## Committee References

[Ways & Means](#)

17 Y, 0 N



[Intergovernmental Affairs](#)

13 Y, 0 N



[State Affairs](#)

## SUMMARY

### **Effect of the Bill:**

The joint resolution proposes an amendment to the Florida Constitution to authorize the Legislature to prohibit the consideration of any change or improvement to homestead property to mitigate the property's susceptibility to flood damage when calculating ad valorem property taxes.

Subject to approval by 60 percent of voters during the 2026 general election, the amendment proposed in the joint resolution will take effect on January 1, 2027. The joint resolution is not subject to the governor's veto powers.

### **Fiscal or Economic Impact:**

The Revenue Estimating Conference estimated that the joint resolution has no impact on state or local government revenues as the amendment it proposes is not self-executing.

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## ANALYSIS

### **EFFECT OF THE BILL:**

The joint resolution amends Article VII, Section 4 of the Florida Constitution to authorize the Legislature to prohibit, for purposes of ad valorem [property taxes](#), the consideration of any change or improvement made to [homestead property](#) that [mitigates](#) the property's susceptibility to [flood damage](#).

A joint resolution proposing an amendment to the Florida Constitution must be passed by three-fifths of the membership of each house of the Legislature.

Subject to approval by 60 percent of voters during the 2026 general election, the amendment proposed in the joint resolution will take effect on January 1, 2027. The joint resolution is not subject to the Governor's veto powers.

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

#### STATE GOVERNMENT:

The Revenue Estimating Conference estimated that the joint resolution has no impact on state government revenues.<sup>1</sup>

<sup>1</sup> Workpapers available at: [https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/\\_pdf/page105-106.pdf](https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/_pdf/page105-106.pdf) (last visited March 18, 2025).

## LOCAL GOVERNMENT:

The Revenue Estimating Conference estimated that the joint resolution has no impact on local government revenues as the joint resolution is not self-executing.<sup>2</sup>

## RELEVANT INFORMATION

### SUBJECT OVERVIEW:

#### [Ad Valorem Taxation](#)

The Florida Constitution reserves to local governments the authority to levy ad valorem taxes on real and tangible personal property.<sup>3</sup> Ad valorem taxes are levied annually by counties, cities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.<sup>4</sup> The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,<sup>5</sup> and provides for specified assessment limitations, property classifications, and exemptions.<sup>6</sup> After the property appraiser considers any assessment limitation or use classification affecting the just value of a parcel of real property, the property appraiser produces an assessed value. The assessed value is then reduced by any exemptions to produce the taxable value of the property.<sup>7</sup>

Unless expressly exempted from taxation, all real and personal property and leasehold interests in the state are subject to taxation.<sup>8</sup> The Florida Constitution limits the Legislature's authority to grant an exemption or assessment limitation from taxes,<sup>9</sup> and any modifications to existing ad valorem tax exemptions or limitations must be consistent with the constitutional provision authorizing the exemption or limitation.<sup>10</sup>

Article VII, section 4 of the Florida Constitution authorizes the Legislature to prohibit the consideration of certain changes to real property for purposes of determining the property's assessed value. Specifically, the Legislature may prohibit the consideration of:

- Any change or improvement to residential real property made to improve the property's resistance to wind damage; or
- The installation of a solar or renewable energy device.<sup>11</sup>

#### [Homestead Property](#)

Article VII, Section 6 of the Florida Constitution provides that every person who owns real estate with legal and equitable title, and maintains their permanent residence or the permanent residence of their dependent upon such real estate, is eligible for a \$25,000 homestead tax exemption applicable to all ad valorem tax levies including school district levies on that property (a "homestead"). An additional \$25,000 homestead exemption applies to homesteads that have an assessed value greater than \$50,000 and up to \$75,000, excluding school district levies.<sup>12</sup>

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<sup>2</sup> Workpapers available at: [https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/\\_pdf/page105-106.pdf](https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/_pdf/page105-106.pdf) (last visited March 18, 2025).

<sup>3</sup> [Art. VII, ss. 1\(a\) and 9\(a\), Fla. Const.](#)

<sup>4</sup> 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. Section [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.

<sup>5</sup> [Art. VII, s. 4, Fla. Const.](#)

<sup>6</sup> [Art. VII, ss. 3, 4, and 6, Fla. Const.](#)

<sup>7</sup> S. [196.031, F.S.](#)

<sup>8</sup> Section [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.

<sup>9</sup> *Archer v. Marshall*, 355 So. 2d 781, 784 (Fla. 1978).

<sup>10</sup> *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).

<sup>11</sup> [Art. VII, s. 4\(i\), Fla. Const.](#)

<sup>12</sup> [Art. VII, s. 6\(a\)\(1\)b., Fla. Const.](#)

A homestead property’s tax assessment cannot be increased in one year by more than the greater of three percent or the percent change in the Consumer Price Index, except under certain circumstances.<sup>13</sup> One such exception is that changes, additions, and improvements to homestead property are generally assessed at market value, which can increase the total assessment by any amount.<sup>14</sup>

**Flood Damage**

Hurricanes and other storms that result in flooding have caused billions of dollars in damage across all parts of Florida.<sup>15</sup> Flooding is one of Florida’s most frequent hazards, and can happen any time of the year.<sup>16</sup> Flood insurance can assist with recovery after a flooding incident, but most homeowner’s insurance does not cover flood damage.<sup>17</sup>

**Flood Mitigation**

Local jurisdictions throughout the state recognize, plan for, and manage development in flood hazard areas.<sup>18</sup> An area’s resistance to flood damage can be increased through mitigation strategies such as large structural public works projects, including dams, seawalls, and levees, as well as improvements made to individual properties, such as elevating structures, filling basements, and waterproofing.<sup>19</sup> Mitigation can also include non-structural improvements, such as the maintenance of land to allow for stormwater runoff, installing flood vents in walls and garages, waterproofing basements, installing backflow and check valves capable of preventing water backup, and elevating furnaces, heaters, and electrical panels.<sup>20</sup>

**RECENT LEGISLATION:**

<b>YEAR</b>	<b>BILL #</b>	<b>HOUSE SPONSOR(S)</b>	<b>SENATE SPONSOR</b>	<b>OTHER INFORMATION</b>
2021	<a href="#"><u>HJR 1377</u></a>	Chaney	Brandes	Amendment 1 on 2022 Ballot; Failed with 57.3% of the vote <sup>21</sup>

<sup>13</sup> [Art. VII s. 4\(d\), Fla. Const.](#)

<sup>14</sup> Sections [193.155\(4\)\(a\), F.S.](#) and [193.1554\(6\)\(a\), F.S.](#)

<sup>15</sup> Catastrophe Claims Data, Office of Insurance Regulation, available at <https://floir.com/tools-and-data/catastrophe-reporting> (last visited March 15, 2025).

<sup>16</sup> Floods, Florida Department of Emergency Management, available at <https://www.floridadisaster.org/hazards/floods/> (last visited March 15, 2025).

<sup>17</sup> Federal Emergency Management Agency, National Flood Insurance Program, available at <https://www.floodsmart.gov/> (last visited March 15, 2025).

<sup>18</sup> See, e.g., Lee County, Flood Insurance Rate Hazard Areas, available at <https://www.leegov.com/dcd/flood/firm/zones/hazardareas> (last visited Mar. 23, 2025); Hillsborough County, Local Mitigation Strategy, available at <https://hcfl.gov/residents/public-safety/hazard-mitigation/local-mitigation-strategy> (last visited Mar. 23, 2025); Miami-Dade County, Flood Protection, available at <https://www.miamidade.gov/environment/flood-protection.asp> (last visited Mar. 23, 2025).

<sup>19</sup> Beverly Cigler, U.S. Floods: The Necessity of Mitigation, State and Local Government Review, Vol. 49 Issue 2 (Sept. 2017), available at [https://www.napawash.org/uploads/Standing\\_Panel\\_Blogs/cigler-floods-and-mitigation-Sept.-20172.pdf](https://www.napawash.org/uploads/Standing_Panel_Blogs/cigler-floods-and-mitigation-Sept.-20172.pdf) (last visited March 15, 2025).

<sup>20</sup> Federal Emergency Management Agency, Mitigation for Homeowners, available at <https://www.fema.gov/fact-sheet/mitigation-homeowners> (last visited March 15, 2025).

<sup>21</sup> Florida Department of State, 2022 General Election Results for Amendment 1, Limitation on Assessment of Real Property Used for Residential Purposes, Official Results available at <https://results.elections.myflorida.com/Index.asp?ElectionDate=11/8/2022>, selecting “Const. Amendments” (last visited March 15, 2025).

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## BILL HISTORY

<b>COMMITTEE REFERENCE</b>	<b>ACTION</b>	<b>DATE</b>	<b>STAFF DIRECTOR/ POLICY CHIEF</b>	<b>ANALYSIS PREPARED BY</b>
<a href="#">Ways &amp; Means Committee</a>	17 Y, 0 N	3/20/2025	Aldridge	Berg
<a href="#">Intergovernmental Affairs Subcommittee</a>	13 Y, 0 N	3/26/2025	Darden	Jones
<a href="#">State Affairs Committee</a>				