

FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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BILL #: [HJR 1215](#)

TITLE: Ad Valorem Tax Exemption

SPONSOR(S): Alvarez, D.

COMPANION BILL: [SJR 318](#) (Truenow)

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Ways & Means](#)

16 Y, 1 N

[Housing, Agriculture & Tourism](#)

[State Affairs](#)

SUMMARY

Effect of the Bill:

HJR 1215 proposes an amendment to the Florida Constitution to authorize the Legislature to exempt tangible personal property from ad valorem taxes when the tangible personal property is located on agricultural land, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land.

Fiscal or Economic Impact:

The Revenue Estimating Conference has not estimated the impact of this joint resolution on local government revenues. Staff estimates that joint resolution has no impact on local government revenues. The impact on local government revenues would come from legislation implementing the proposed constitutional amendment.

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ANALYSIS

EFFECT OF THE BILL:

HJR 1215 proposes an amendment to the Florida Constitution to authorize the Legislature to exempt tangible personal property from ad valorem taxes when the tangible personal property is located on agricultural land, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land.

If adopted by the Legislature, the proposed amendment will be submitted to Florida's electors at the next general election in November 2026.

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:

LOCAL GOVERNMENT:

The Revenue Estimating Conference has not estimated the impact of this joint resolution on local government revenues. Staff estimates that joint resolution has no impact on local government revenues. The impact on local government revenues would come from legislation implementing the proposed constitutional amendment.

STORAGE NAME: h1215a.WMC

DATE: 3/20/2025

RELEVANT INFORMATION

SUBJECT OVERVIEW:

General Overview of Property Taxation

The ad valorem tax or “property tax” is an annual tax levied by counties, municipalities, school districts, and some special districts. The tax is based on the taxable value of property as of January 1 of each year.¹ The property appraiser annually determines the “just value”² of property within the taxing jurisdiction and then applies relevant exclusions, assessment limitations, and exemptions to determine the property’s “taxable value.”³ Property tax bills are mailed in November of each year based on the previous January 1 valuation, and payment is due by March 31 of the following year.⁴

The Florida Constitution prohibits the state from levying ad valorem taxes on real and tangible personal property,⁵ and it limits the Legislature’s authority to provide for property valuations at less than just value, unless expressly authorized.⁶

Ad Valorem Taxation of Tangible Personal Property

Article VII, section 1, grants exclusive authority to local governments to levy ad valorem taxes on tangible personal property.⁷ The Florida Constitution includes the following exemptions and authorization for exemptions for tangible personal property:

- Article VII, section 1 specifies that motor vehicles, boats, airplanes, trailers, trailer coaches, and mobile homes are subject to license taxes, but may not be subject to ad valorem taxes.
- Under Article VII, section 3,
 - Household goods and personal effects are granted an exemption of at least \$1,000.
 - Local governments are authorized to grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, which may apply to tangible personal property.
 - \$25,000 of the assessed value of tangible personal property is exempt⁸, and the assessed value of solar or renewable energy devices may be exempt pursuant to general law⁹.
- Under Article VII, section 4, tangible personal property “held for sale as stock in trade” may be exempted from taxation.¹⁰

The just value of tangible personal property in Florida in 2024 was \$239.3 billion.¹¹

¹ Both real property and tangible personal property are subject to tax. Section [192.001\(12\), F.S.](#), defines “real property” as land, buildings, fixtures, and all other improvements to land. Section [192.001\(11\)\(d\), F.S.](#), defines “tangible personal property” as all goods, chattels, and other articles of value capable of manual possession and whose chief value is intrinsic to the article itself.

² Property must be valued at “just value” for purposes of property taxation, unless the Florida Constitution provides otherwise. FLA. CONST. art VII, s. 4. Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm’s-length transaction. *See, e.g., Walter v. Schuler*, 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey*, 336 So. 2d 1163 (Fla. 1976); *S. Bell Tel. & Tel. Co. v. Dade Cnty.*, 275 So. 2d 4 (Fla. 1973).

³ *See* [s. 192.001\(2\), F.S.](#) and [s. 192.001\(16\), F.S.](#)

⁴ Sections [197.162, F.S.](#), and [197.322, F.S.](#); *see also* FLA. DEP’T OF REVENUE, *Florida Property Tax Calendar* (Dec. 2016), available at: <https://floridarevenue.com/property/Documents/taxcalendar.pdf>.

⁵ FLA. CONST. art. VII, s. 1(a)

⁶ FLA. CONST. art. VII, s. 4.

⁷ *See also* FLA. CONST. art. VII, s. 9(a).

⁸ Section [196.183, F.S.](#), specifies the conditions for the general exemption of \$25,000 of the assessed value of tangible personal property.

⁹ Section [196.182, F.S.](#), specifies the conditions for exemption of renewable energy source devices.

¹⁰ This exemption for inventory is restated at section [196.185, F.S.](#), and inventory is defined at section [192.001\(11\)\(c\), F.S.](#)

¹¹ Florida Department of Revenue [2024 Statewide Just, Assessed, Exemption and Taxable Values by Property Tax](#)

Agricultural Land Valuation

Property appraisers annually classify, for assessment purposes, all lands within a county as either agricultural or nonagricultural.¹² Only lands that are used primarily for “bona fide agricultural purposes” shall be classified agricultural.¹³ In determining whether the use of the land for agricultural purposes is bona fide, the following factors may be taken into consideration:

- The length of time the land has been so used.
- Whether the use has been continuous.
- The purchase price paid.
- Size, as it relates to specific agricultural use, but a minimum acreage may not be required for agricultural assessment.
- Whether an indicated effort has been made to care sufficiently and adequately for the land in accordance with accepted commercial agricultural practices, including, without limitation, fertilizing, liming, tilling, mowing, reforestation, and other accepted agricultural practices.
- Whether the land is under lease and, if so, the effective length, terms, and conditions of the lease.
- Such other factors as may become applicable.

When the land is classified as agricultural, the property appraiser shall consider the following use factors only:

- The quantity and size of the property;
- The condition of the property;
- The present market value of the property as agricultural land;
- The income produced by the property;
- The productivity of land in its present use;
- The economic merchantability of the agricultural product.
- Such other agricultural factors as may from time to time become applicable, which are reflective of the standard present practices of agricultural use and production.¹⁴

Agricultural real property accounts for 2.0 percent of the just value of all real property in Florida.¹⁵

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	CS/SJR 1560	Alvarez, D.	Collins	Died in Messages

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Ways & Means Committee	16 Y, 1 N		Aldridge	Hallaian
Housing, Agriculture & Tourism Subcommittee				
State Affairs Committee				

¹² Section [193.461\(1\), F.S.](#)

¹³ Section [193.461\(3\)\(b\), F.S.](#)

¹⁴ Section [193.461\(6\)\(a\), F.S.](#)

¹⁵ [Ad Valorem Revenue Estimating Conference Results, March 5, 2025](#)

