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.

BILL #: HJR 201 **TITLE:** Elimination of Non-school Property Tax for Homesteads **SPONSOR(S):** Steele	**COMPANION BILL:** None **LINKED BILLS:** None **RELATED BILLS:** None

Committee References

Select Committee on Property Taxes 23 Y, 10 N	State Affairs	Ways & Means

SUMMARY

Effect of the Bill:
The joint resolution proposes an amendment to Article VII, Section 6 of the Florida Constitution to create an exemption for the entire assessed value of homestead properties. The exemption would apply to all ad valorem taxes **other** than school taxes. The effect of this would be to create a full exemption for homestead properties for taxes levied by counties, cities, or special districts, but would not affect property taxes levied by school districts.

The joint resolution also proposes a new Section 7 of Article VIII of the Florida Constitution to prohibit local governments from reducing funding for law enforcement services below a specified base year.

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 (REC) estimated the bill to have a zero or negative indeterminate impact on local government revenues because the constitutional amendment requires voter approval. If the proposed amendment is approved by the voters, and assuming current millage rates, the REC estimated that beginning in FY 2027-28, the amendment will have a negative cash impact of $14.1 billion, and a negative recurring impact of $18.3 billion on local non-school property tax revenues.

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ANALYSIS

EFFECT OF THE BILL:

The joint resolution proposes an amendment to Article VII, Section 6 of the Florida Constitution to create a new homestead exemption for the entire assessed value of homestead properties. The exemption would apply to all ad valorem taxes **other** than school taxes. The effect of this would be to create a full exemption for homestead properties for property taxes levied by counties, cities, and special districts, but would not affect property taxes levied by school districts.

The joint resolution also proposes a new Section 7 of Article VIII of the Florida Constitution to prohibit local governments from reducing funding for law enforcement services below the funding provided for law enforcement services in either FY 2025-26 or FY 2026-27, whichever is higher.

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 (REC) estimated the bill to have a zero or negative indeterminate impact on local government revenues because the constitutional amendment requires voter approval. If the proposed amendment is approved by the voters, and assuming current millage rates, the REC estimated that beginning in FY 2027-28, the amendment will have a negative cash impact of $14.1 billion, and a negative recurring impact of $18.3 billion on local non-school property tax revenues.[1]

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Homestead Exemptions

Every person having legal and equitable title to real estate and who maintains a permanent residence on the real estate (homestead property) is eligible for an exemption on the first $25,000 of assessed value of the property and is applicable to all ad valorem tax levies, including levies by school districts.[2] An additional $25,000 exemption applies to the assessed value of homestead property between $50,000 and $75,000.[3] This exemption is adjusted annually for inflation[4] and does not apply to ad valorem taxes levied by school districts.[5]

Homestead Property

Homestead property is real estate (real property) for which a person, on January 1, has the legal or beneficial title and who in good faith makes the property his or her permanent residence (or the permanent residence of another legally or naturally dependent on him or her).[6] The property may be owned jointly, as tenancy by the entireties, or otherwise in common with others, and can be apportioned among such shared owners.[7] Only one homestead exemption is allowed to any one person or on any one dwelling house.[8] Individual condominium owners, however, can each qualify for a separate homestead designation.[9]

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[1] The impact to local government revenues adopted by the REC for HJR 201 is available on the Office of Economic and Demographic Research's website, and includes the impact by county (each county's impact is the total impact to the county government, all municipal governments, and all special districts within that county).

[2] FLA. CONST. art. VII, s. 6(a)(1)a. and s. 196.031(1)(a), F.S.

[3] FLA. CONST. art. VII, s. 6(a)(1)b. and s. 196.031(1)(b), F.S.

[4] FLA. CONST. art. VII, s. 6(a)(3) and s. 196.031(1)(b), F.S. In 2025, the adjusted value of this exemption is $25,722. See https://floridarevenue.com/property/Documents/2025_cpi_homestead_exemption.pdf (last visited 11/2/2025).

[5] FLA. CONST. art. VII, s. 6(a)(1)b. and s. 196.031(1)(b), F.S.

[6] FLA. CONST. art. VII, s. 6(a) and s. 196.031(1)(a), F.S.

[7] S. 196.031(1)(a), F.S.

[8] *Id.*

[9] *Id.*

Ad Valorem Taxes

The ad valorem tax or "property tax" is an annual tax levied by counties, municipalities, school districts, and some special districts. The Florida Constitution reserves to local governments the authority to levy ad valorem taxes on real and tangible personal property.[10] Ad valorem taxes are levied annually by local governments based on the value of real and tangible personal property as of January 1 of each year.[11]

The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,[12] and provides for specified assessment limitations, property classifications, and exemptions.[13] After the property appraiser considers any assessment limitation or use classification affecting the just value of a parcel of real property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.[14]

Unless expressly exempted from taxation, all real and personal property and leasehold interests in the state are subject to taxation.[15] The Florida Constitution limits the Legislature's authority to grant an exemption or assessment limitation from taxes,[16] and any modifications to existing ad valorem tax exemptions or limitations must be consistent with the constitutional provision authorizing the exemption or limitation.[17]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Select Committee on Property Taxes	23 Y, 10 N	11/20/2025	Aldridge	Berg
State Affairs Committee				
Ways & Means Committee				

[10] FLA. CONST. art. VII, ss. 1(a), 9(a)

[11] 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. S. 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.

[12] FLA. CONST. art. VII, s. 4

[13] FLA. CONST. art. VII, ss. 3, 4, and 6

[14] S. 196.031, F.S.

[15] S. 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.

[16] *Archer v. Marshall*, 355 So. 2d 781, 784 (Fla. 1978).

[17] *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).