

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 #: [CS/HJR 203](#)

TITLE: Phased Out Elimination of Non-school Property

Tax for Homesteads

SPONSOR(S): Miller

COMPANION BILL: None

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Select Committee on Property](#)

[Taxes](#)

24 Y, 10 N

[State Affairs](#)

16 Y, 6 N, As CS

[Ways & Means](#)

SUMMARY

Effect of the Bill:

The joint resolution proposes an amendment to Article VII, Section 6 of the Florida Constitution to increase the second homestead exemption for ad valorem taxes that currently applies to the assessed value of homestead properties between \$50,000 and \$75,000, adjusted annually for inflation, by adding \$100,000 per year to this exemption for ten years. Beginning in 2037, the entire assessed value of homestead properties would be exempt from all ad valorem taxes **other** than school taxes. The joint resolution also proposes a new Section 7 of Article VIII of the Florida Constitution to prohibit local governments from reducing funding for services provided by law enforcement, firefighters, and first responders below a specified base year.

Subject to approval by 60 percent of voters during the 2026 general election, the proposed amendment 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) has not estimated the impact of the bill. Staff estimates the bill to have a zero or negative indeterminate impact on local government revenues because the constitutional amendment requires voter approval. If approved, and assuming current millage rates, staff estimates that the amendment will have a negative cash impact of \$4.8 billion, and a negative recurring impact of \$14.7 billion on local non-school property tax revenues in Fiscal Year 2027-28.

Extraordinary Vote Required for Passage:

The joint resolution requires a three-fifths vote of the membership of both houses of the Legislature for final passage.

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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 increase the second [homestead exemption](#) that currently applies to the assessed value of homestead properties between \$50,000 and \$75,000 (adjusted annually for inflation), by adding \$100,000 per year to the exemption for ten years. This increased exemption would apply, beginning in 2027, to the portion of the assessed value of homesteads between \$25,000 and \$150,000 (comprised of the new \$100,000 exemption plus the existing exemption between \$50,000 and \$75,000), and then would increase by \$100,000 for the following nine years. Beginning in 2037, there would be a full exemption for the entire assessed value of [homestead properties](#) from all [ad valorem taxes](#) **other** than school taxes.

STORAGE NAME: h0203c.SAC

DATE: 1/15/2026

The joint resolution also proposes a new Section 7 of Article VIII of the Florida Constitution to prohibit local governments from reducing funding for services provided by law enforcement, firefighters, and first responders, as provided by general law, below the funding provided for such services in either Fiscal Year (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) has not estimated the impact of the bill. Staff estimates 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, staff estimated that beginning in FY 2027-28, the amendment will have a negative cash impact of \$4.8 billion, and a negative recurring impact of \$14.7 billion on local non-school property tax revenues.¹

Staff notes that the cash impact will increase each year of the ten-year phase out period and that after the full exemption applies in 2037, the cash and recurring impact on non-school tax revenues each year will be larger than the \$14.7 billion estimated for the five-year forecast window.

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 that 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 inflation⁴ 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

¹ The impact to local government revenues adopted by the REC for HJR 203 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) and [s. 196.031, 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

Funding for Services Provided by Law Enforcement, Firefighters, and First Responders

Each county, municipality, and special district must prepare, approve, adopt, and execute a budget for each fiscal year.¹⁸ Funding for fire rescue and emergency medical services are set at the discretion of the governing body of the local government.¹⁹

Sheriffs are responsible for preparing a proposed budget that is submitted to the board of county commissioners for inclusion in the county’s budget.²⁰ When the board conducts its budget hearing, it may amend, modify, increase, or reduce any item of expenditure in the sheriff’s proposed budget.²¹ The board may approve the budget as modified, but must provide written notice to the sheriff of any changes. Upon receiving written notice that his or her budget has been changed by the board, the sheriff may appeal the modified budget by petition to the Administration Commission.²²

Municipal law enforcement budgets are set at the discretion of the governing body of the municipality; however, if the tentative budget of a municipality reduces the operating budget of the municipal law enforcement agency by more than 5 percent compared to the current year’s approved operating budget, the state attorney for the judicial

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. [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.

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).

¹⁸ [Ss. 129.01\(1\), 166.241\(2\), and 189.016\(3\), F.S.](#)

¹⁹ See e.g., Alachua County, *Alachua County Manager’s Budget Book Fiscal Year 2025-2026*, p. 31,

<https://alachuacounty.us/Depts/OMB/Budgets/FY26%20County%20Manager%20Book.pdf> (last visited Jan. 15, 2026).

(stating that the county’s fire rescue services are a department of the county that provides fire protection, emergency medical response, and disaster response and recovery operations).

²⁰ [Ss. 30.49\(1\) and 129.03\(2\), F.S.](#)

²¹ [S. 30.49\(4\), F.S.](#)

²² See [s. 30.49\(4\) and \(5\), F.S.](#), for details about the budget appeals process for the sheriff’s budget.

circuit in which the municipality is located or a member of the governing body of the municipality may file a petition with the Division of Administrative Hearings to challenge the reduction.²³

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Select Committee on Property Taxes	24 Y, 10 N	11/20/2025	Aldridge	Berg
State Affairs Committee	16 Y, 6 N, As CS	1/15/2026	Williamson	Darden
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Provides that the additional \$100,000 exemption amount beginning in 2027 applies to the assessed value of homestead properties above \$25,000. Expands the prohibition on decreases in funding for law enforcement to include firefighters and first responders as defined by general law. Makes wording changes to the ballot statement to increase readability and clarity. 			
Ways & Means Committee				

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

²³ [S. 166.241\(4\)\(a\), F.S.](#)