

FLORIDA HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

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

BILL #: CS/HB 227 TITLE: Eligibility of Leasehold Interests for Homestead Exemptions SPONSOR(S): Maney	COMPANION BILL: CS/SB 110 (Arrington) LINKED BILLS: None RELATED BILLS: None
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FINAL HOUSE FLOOR ACTION: 108 Y's 0 N's **GOVERNOR'S ACTION:** Pending

SUMMARY

Effect of the Bill:

The bill clarifies that an individual who holds a 98-year or longer residential lease is still eligible for the homestead tax exemption on the property even if the lease contains a provision that terminates the lease upon their death.

Fiscal or Economic Impact:

The Revenue Estimating Conference estimated that the bill will not impact state or local government revenues.

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ANALYSIS

EFFECT OF THE BILL:

CS/HB 227 passed as [CS/SB 110](#).

The bill expressly provides that a lessee owning a leasehold interest in a [bona fide lease having an original term of 98 years or more](#) in a residential or condominium parcel is eligible for a [homestead tax exemption](#) on the property even if the lease contains a provision terminating the leasehold interest upon the death of the lessee. (Section 1)

The bill provides that this change is remedial and clarifying in nature. (Section 2)

Subject to the Governor's veto powers, the effective date of this bill is upon becoming a law. (Section 3)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The Revenue Estimating Conference estimated the bill will not impact state government revenues.

LOCAL GOVERNMENT:

The Revenue Estimating Conference estimated the bill will not impact local government revenues.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Homestead Tax Exemption](#)

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.¹ An additional \$25,000 exemption

¹ [Art. VII, s. 6\(a\), Fla. Const.](#) and [s. 196.031\(1\)\(a\), F.S.](#)

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applies to the assessed value of homestead property between \$50,000 and \$75,000.² This exemption is adjusted annually for inflation³ and does not apply to ad valorem taxes levied by school districts.⁴

Lease of 98-Years or More

As noted above, Florida law requires that property be owned by an individual claiming a homestead exemption, either through legal title or through equitable title.⁵ Florida law provides certain situations that are deemed to be equitable title for these purposes.⁶ One of the most common examples of equitable title is a lessee who owns the leasehold interest in a bona fide lease that has an original term of 98 years or more.⁷ In this situation, the property may be legally owned by another individual, a trust, a limited liability company, or another entity, but the lessee can still receive homestead benefits pursuant to the bona fide 98-year lease.⁸

² [Art. VII, s. 6\(a\)\(1\)b., Fla. Const.](#) and [s. 196.031\(1\)\(b\), F.S.](#)

³ [Art. VII, s. 6\(a\)\(3\), Fla. Const.](#) and [s. 196.031\(1\)\(b\), F.S.](#) In 2026, the adjusted value of this exemption is \$26,411. See Florida Dept. of Revenue, [Additional Homestead Exemption Adjustment](#) (last visited Mar. 12, 2026).

⁴ [Art. VII, s. 6\(a\)\(1\)b., Fla. Const.](#) and [s. 196.031\(1\)\(b\), F.S.](#)

⁵ [Art. VII, s. 6\(a\)\(1\)a., Fla. Const.](#) and [s. 196.031\(1\)\(a\), F.S.](#)

⁶ Section [196.041, F.S.](#)

⁷ See Jeffery A. Baskies and John H. Pelzer, [Higgs v. Warrick: Lessees of 99-Year Leases Qualify for Homestead and Save Our Homes Tax Exemption](#), 83 Fla. B.J. 38 (November 2009).

⁸ Section [196.041\(1\), F.S.](#)