

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 7046

INTRODUCER: Appropriations Committee and Finance and Tax Committee

SUBJECT: Taxation

DATE: March 4, 2026

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
<u>Khan</u>	<u>Khan</u>		FT Submitted as Comm. Bill/Fav
1. <u>Khan</u>	<u>Sadberry</u>	<u>AP</u>	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 7046:

- Makes the following changes to property taxes:
 - For the Live Local exemption opt-out, requires a taxing authority to make a finding that Shimberg’s annual reports for each of the 3 previous years identify a surplus of affordable housing rather than 1 report.
 - For the Live Local exemption opt-out, provides that an exemption may be granted to a certain projects that was issued a building permit on or after July 1, 2026, that was within 4 years before a taxing authority opted out may apply for and be granted the exemption. The owner may continue receiving the exemption for each subsequent consecutive year that the same owner or successive owners apply for and are granted the exemption.
 - For the Live Local exemption opt-out, provides that an opt-out ordinance adopted before July 1, 2026, is valid until its expiration.
 - Revises the distribution of school taxes collected from a voter approved property tax levy by removing a reference which excludes certain charter schools.
 - Relating to the property tax homestead exemption, provides that the transfer of homestead property to a lineal descendant is not a change in ownership under certain conditions.
 - Requires real estate listing platforms to post estimated property taxes.
 - Provides that the amount of a property tax homestead exemption that a surviving spouse may transfer to a new residence may increase up to 120 percent of the exemption.
 - Adds additional named military operations to the current list in statute for the property tax exemption for certain deployed servicemembers.

- Provides an exemption from the Redevelopment Trust Fund for special districts that levy ad valorem taxes on real property predominantly to fund children's services.
- Requires value adjustment boards to meet to hear appeals relating to the timely filing of tax returns for tangible personal property.
- Makes the following changes to local taxes and assessments:
 - Prohibits counties, municipalities, and special districts from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.
- Regarding fiscally constrained counties:
 - Amends the criteria for being designated as a fiscally constrained county.
 - Changes the revenue source for the fiscally constrained counties distribution from the direct-to-home satellite service tax to sales tax.
 - Provides to fiscally constrained counties a distribution from sales tax in an amount equal to no less than \$50 million each fiscal year.
 - Makes several changes to the fiscally constrained counties' distribution, including changing distribution factors for allocating revenue among counties and creating spending requirements.
- Makes the following changes to sales and use tax:
 - Permanently exempts liquified petroleum gas tanks with a capacity of 20 pounds or less.
 - Provides a sales tax holiday for hunting, fishing, and camping items. The items include ammunition, firearms, bows, crossbows, and certain accessories for firearms, bows and crossbows. Items also include certain fishing and camping supplies. The holiday is approximately 3.5 months from September 7, 2026, through December 31, 2026.
 - Exempts admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament for 3 years.
 - Creates a refund mechanism for state universities for tangible personal property purchases made by state university contractors when such property goes into or becomes part of public works owned by the state university.

Other changes made by the bill include:

- Prohibits governmental entities from adopting or requiring the adoption of net-zero policies; expending government funds to support, implement, or advance net-zero policies; and imposing taxes, fees, penalties, charges, offsets, or assessments to advance net-zero policies.
- Requires taxing authorities that have not levied any millage rate in the prior year to adopt a rate either by a unanimous vote of the membership of the governing body, or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.
- Provides a tax framework for electricity that is sold by electrical vehicle charging stations. The framework specifies which sales tax and gross receipts rates apply to transactions between a utility and the charging station and also to transactions between the charging station and the consumer. Also provides processes and requirements for collecting and remitting such taxes.
- Increases the value of the Rural Community Investment Program credit from 25% of the investor's contribution to 50%.

- Provides that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of the refund only if the interest claim is asserted concurrently with the action.
- Specifies that the 60-day period to contest an assessment or a denial that becomes final may not be waived or tolled.
- Provides emergency rulemaking authority for the Department of Revenue and the Department of Commerce.

The bill is estimated by staff to reduce revenues in total by \$80.1 million, which is the sum of \$8.1 million (recurring) and \$72.0 million (pure nonrecurring in Fiscal Year 2026-2027 and reductions resulting from nonrecurring impacts in other years). See Section V., Fiscal Impact Statement for more information.

Except as otherwise provided, the bill takes effect July 1, 2026.

II. Present Situation:

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 a property as of January 1 of each year.¹ The property appraiser annually determines the “just value”² of property within the taxing authority and then applies relevant exclusions, assessment limitations, and exemptions to determine the property’s “taxable value.”³ The state constitution prohibits the state from levying ad valorem taxes⁴ and it limits the Legislature’s authority to provide for property valuations at less than just value, unless expressly authorized.⁵

Homestead Exemptions

The state constitution establishes homestead protections for certain residential real estate in three distinct ways. First, it provides homesteads, property owned and maintained as a person’s primary residence, with an exemption from taxes⁶ and an assessment limitation.⁷ Second, the homestead provisions protect the homestead from forced sale by creditors.⁸ Third, the homestead

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* ss. 192.001(2) and (16), F.S.

⁴ FLA. CONST. art. VII, s. 1(a).

⁵ *See* FLA. CONST. art. VII, s. 4.

⁶ FLA. CONST. art. VII, s. 6.

⁷ *See* FLA. CONST. art. VII, s. 4(d)

⁸ FLA. CONST. art. X, s. 4.

provisions outline restrictions a homestead owner faces when attempting to alienate or devise the homestead property.⁹

Every person having legal or equitable title to real estate and who maintains a permanent residence on the real estate is eligible for a \$25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts.¹⁰ An additional \$25,000 exemption applies to the assessed valuation of homestead property between \$50,000 and \$75,000. This exemption is adjusted annually for inflation and does not apply to ad valorem taxes levied by school districts.¹¹

General Overview of Sales and Use Tax

Florida levies a 6 percent tax on the sale or rental of most items of tangible personal property,¹² admissions,¹³ transient rentals,¹⁴ and a limited number of services. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.¹⁵

The governing body of a county and school boards are authorized to levy local discretionary sales surtaxes in addition to the state sales tax.¹⁶ A surtax applies to “all transactions ... subject to the state tax ... on sales, use, services, rentals, admissions, and other transactions”¹⁷ In counties with discretionary sales surtaxes, the combined county and school board rates vary from 0.5 to 2 percent.¹⁸ Two counties, Citrus and Collier, have no discretionary sales surtax levies.

Specific current law discussion related to provisions of the bill are provided in Section III. Effect of Proposed Changes

III. Effect of Proposed Changes:

Sections 1 and 2 – Interest on Refunds and Period to Contest an Assessment

Present Situation

A taxpayer may contest the legality of any assessment or denial of refund of tax, fee, surcharge, permit, interest, or penalty as provided for in s. 72.011(1)(a), F.S., by filing an action in circuit court. Alternatively, the taxpayer may file a petition under the applicable provisions of chapter 120 (the Administrative Procedure Act).¹⁹

A taxpayer may not file an action to contest an assessment or a denial of refund of any tax, fee, surcharge, permit, interest, or penalty relating to those listed in s. 72.011(1)(a), F.S., until the

⁹ *Id.* at (c).

¹⁰ FLA. CONST. art VII, s. 6(a); s. 196.031, F.S.

¹¹ FLA. CONST. art VII, s. 6(a); s. 196.031(1)(b), F.S.

¹² Section 212.05(1)(a)1.a., F.S.

¹³ Section 212.04(1)(b), F.S.

¹⁴ Section 212.03(1)(a), F.S.

¹⁵ Section 212.07(2), F.S.

¹⁶ Section 212.055, F.S.

¹⁷ Section 212.054(2)(a), F.S.

¹⁸ FLA. DEPT. OF REVENUE, *Discretionary Sales Surtax Information for Calendar Year 2026*, available at https://floridarevenue.com/Pages/forms_index.aspx#discretionary, see DR-15DSS New for 2026, (last visited Feb. 21, 2026).

¹⁹ Section 72.011(1)(a), F.S.

taxpayer complies with the applicable registration requirements which apply to the tax for which the action is filed.²⁰

An action may not be brought to contest an assessment of any tax, interest, or penalty assessed under a section or chapter specified s. 72.011(1), F.S., more than 60 days after the date the assessment becomes final. An action may not be brought to contest a denial of refund of any tax, interest, or penalty paid under a section or chapter specified in s. 72.011(1), F.S., more than 60 days after the date the denial becomes final.²¹

The date on which an assessment or a denial of refund becomes final and procedures by which a taxpayer must be notified of the assessment or of the denial of refund must be established:

- By rule adopted by the Department of Revenue;
- With respect to assessments or refund denials under chapter 207, F.S., by rule adopted by the Department of Highway Safety and Motor Vehicles;
- With respect to assessments or refund denials under chapters 210, 550, 561, 562, 563, 564, and 565, F.S., by rule adopted by the Department of Business and Professional Regulation; or
- With respect to taxes that a county collects or enforces under s. 125.0104(10), F.S., or s. 212.0305(5), F.S., by an ordinance that may additionally provide for informal dispute resolution procedures in accordance with s. 213.21, F.S.²²

The applicable department or county need not file or docket an assessment or a refund denial with the agency clerk or county official designated by ordinance in order for the assessment or refund denial to become final for purposes of an action initiated under chapter 72 or chapter 120 Florida Statutes.²³

The requirements of s. 72.011 (1), (2), and (3), F.S., are jurisdictional.²⁴

Proposed Changes

Section 1 creates s. 72.011(1)(c), F.S., providing that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of refund of any tax, fee, surcharge, permit, interest, or penalty only if such claim is asserted concurrently with the action. Additionally, the bill also amends s. 72.011(2)(a), F.S., to provide that the 60-day period to contest an assessment or a denial that becomes final may not be waived or tolled.

Section 2 provides that the changes to s. 72.011, F.S., are remedial and clarifying in nature and also apply to actions pending as of the effective date of this section.

These sections take effect upon this act becoming a law.

²⁰ Section 72.011(1)(b), F.S.

²¹ Section 72.011(2)(a), F.S.

²² Section 72.011(2)(b), F.S.

²³ Section 72.011(2)(c), F.S.

²⁴ Section 72.011(5), F.S.

Sections 3, 5, 6 and 7 – Limitation on Non-ad Valorem Assessments at Recreational Vehicle Parks

Present Situation

Special Assessments

The Florida Constitution provides local governments with expansive home rule powers.²⁵ Given these powers, local governments may impose proprietary fees, regulatory fees, and special assessments to pay the cost of providing a facility or service or regulating an activity.²⁶ The validity of these fees and assessments depends on requirements established in Florida case law.²⁷

Counties and municipalities utilize special assessments as a home rule revenue source to fund certain services and to construct and maintain capital facilities. Section 125.01(1)(r), F.S., authorizes the levy of special assessments by county governments. Chapter 170, F.S., authorizes the levy of special assessments by municipal governments. Section 125.271, F.S., authorizes the levy of special assessments by certain counties for emergency medical services. Special districts derive their authority to levy special assessments through general law or the special act creating the district.²⁸

While similar to taxes, legally imposed special assessments are not taxes. As stated by the Florida Supreme Court:

Taxes and special assessments are distinguishable in that, while both are mandatory, there is no requirement that taxes provide any specific benefit to the property; instead, they may be levied throughout the particular taxing unit for the general benefit of residents and property. On the other hand, special assessments must confer a specific benefit upon the land burdened by the assessment.²⁹

As established by case law, a special assessment must meet two requirements to be validly imposed: First, the property assessed must derive a special benefit from the improvement or service provided; and second, the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.³⁰

In determining whether a special benefit is conferred on property by the special assessment, the test to be applied is whether there is a “logical relationship” between the services provided and the benefit to real property.³¹ Many assessed services and improvements have been upheld as

²⁵ FLA. CONST. art. VIII; *See also* ss. 125.01(2) and 166.021(4), F.S.

²⁶ *Collier County v. State*, 733 So. 2d 1012, 1014 (Fla. 1999)

²⁷ *See* OFF. OF ECON. AND DEMOGRAPHIC RSCH., *2025 Local Government Financial Information Handbook*, pgs. 9-18 (February 2026), available at <https://edr.state.fl.us/Content/local-government/reports/index.cfm#local-government> (last visited Feb. 21, 2026).

²⁸ *See id.* For example, s. 153.73, F.S., authorizes levies by county water and sewer districts; s. 163.514, F.S., authorizes levies by neighborhood improvement districts; s. 190.021, F.S., authorizes levies by community development districts; and s. 191.009, F.S., authorizes levies by independent special fire control districts.

²⁹ *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992).

³⁰ *Id.*

³¹ *Whisnant v. Stringfellow*, 50 So. 2d 885, 886 (Fla. 1951) (citing *Crowder v. Phillips*, 1 So. 2d 629, 631 (Fla. 1941)).

providing the requisite special benefit. Such services and improvements include solid waste disposal,³² fire protection,³³ and stormwater management services.³⁴ Special assessments for emergency medical services, however, have been held invalid because they do not confer a special benefit to the property.³⁵

While the special assessment must be fairly and reasonably apportioned, the methodology for apportioning the amount may vary. Front foot³⁶ or square foot³⁷ methodologies may be traditional, but other methods are permissible, such as the market value method.³⁸ The Florida Supreme Court has explained that “[t]he manner of the assessment is immaterial and may vary within the district, as long as the amount of the assessment for each tract is not in excess of the proportional benefits as compared to other assessments on other tracts.”³⁹ An apportionment is considered reasonable unless it “so transcend[s] the limits of equality and reason that its exaction would cease to be a tax or contribution, and become[s] extortion and confiscation” of the assessed property.⁴⁰

Special assessments may be collected on an annual ad valorem tax bill. Under this collection procedure, the special assessment is characterized as a “non-ad valorem assessment.”⁴¹

Recreational Vehicle Parks

Chapter 513, F.S., provides the regulatory requirements governing RV parks. This chapter also contains standards and requirements for operators of these types of recreational facilities. The Department of Health (DOH) is the agency that is responsible for administering and enforcing all laws and rules relating to sanitation, control of communicable diseases, illnesses and hazards to health, and permitting and operational matters related to RV parks.⁴²

Section 513.01(11), F.S., defines a “recreational vehicle park” as:

[A] place set aside and offered by a person, for either direct or indirect remuneration of the owner, lessor, or operator of such place, for the parking, accommodation, or rental of five or more recreational vehicles or tents; and the term also includes buildings and sites set aside for group camping and similar recreational facilities. For the purposes of this chapter, the terms “campground,” “camping resort,” “RV resort,” “travel resort,” and “travel park,” or any variations of these terms, are synonymous with the term “recreational vehicle park.”

³² *Harris v. Wilson*, 693 So. 2d 945 (Fla 1997).

³³ *S. Trail Fire Control Dist. v. State*, 273 So. 2d 380 (Fla. 1973).

³⁴ *Sarasota Cnty. v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995).

³⁵ *City of North Lauderdale v. SMM Properties, Inc.*, 825 So. 2d 343 (Fla. 2002).

³⁶ *See Atlantic Coast Line R.R. v. City of Winter Haven*, 151 So. 321, 324 (Fla. 1933).

³⁷ *See Meyer v. City of Oakland Park*, 219 So. 2d 417 (Fla. 1969).

³⁸ *See City of Boca Raton v. State*, 595 So. 2d 25, 31 (Fla. 1992); *see also City of Naples v. Moon*, 269 So. 2d 355 (Fla. 1972) (upholding the market value method).

³⁹ *City of Boca Raton*, 595 So. 2d at 31 (quoting *S. Trail Fire Control Dist. v. State*, 273 So. 2d 380, 384 (Fla. 1973)).

⁴⁰ *Atlantic Coast Line R.R.* at 324.

⁴¹ Section 197.3632, F.S.

⁴² Section 513.012, F.S.

Recreational vehicle parks are similar to hotels in many respects. Like hotels, these parks offer lodging accommodations to the public. Recreational vehicle park operators own the accommodations or a portion thereof and allow transient guests to purchase a revocable license to enter and remain on the property. The real difference between hotels and recreational parks is the nature of the facilities provided.

Dimensions of Recreational Vehicle Sites

Under s. 513.1115, F.S., the separation distances between RV sites within an RV park and the setback distances from the exterior property boundary must all remain the same as those established at the time of initial approval of the RV park by DOH and the local government. Pursuant to DOH rule 64E-15.002, F.A.C., an RV park must be planned to accommodate the designated number of RV spaces as well as space for parking, loading, and maneuvering RVs without requiring the use of sidewalks, rights-of-way, or any private ground outside of the park. The rule also requires that each RV space contain a minimum of 1200 square feet, each tent space contain a minimum of 500 square feet, and that the density not exceed 25 RVs per acre.

Special Assessments on Recreational Vehicle Parks

Sections 125.0168, 166.223 and 189.052, F.S., provide that special assessments on recreational vehicle parks levied by counties, municipalities, and special districts, respectively, may not be based on the assertion that the recreational vehicle park is comprised of residential units. Instead, they must be assessed as a commercial entity in the same manner as a hotel, motel, or other similar facility.⁴³ As an example, Osceola County imposed special assessments for Fiscal Year 2025 for fire rescue on RV parks on a per unit basis, grouping RV parks with short term rentals, hotels, motels, and timeshare units.⁴⁴

Litigation Related to Special Assessments on Recreational Vehicle Parks

The proper apportionment of special assessments for recreational vehicle parks is the subject of several current circuit court lawsuits filed in Florida's fifth judicial circuit in Sumter County.⁴⁵ In November of 2024, these cases were consolidated, but litigation is ongoing.⁴⁶

Proposed Changes

Sections 3, 5, and 6 amends sections 125.0168, 166.223, and 189.052, F.S., to prohibit counties, municipalities, and special districts from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.

⁴³ Sections 125.0168, 166.223 and 189.052, F.S.

⁴⁴ Osceola County, Resolution No. 24-151R (2024); see Osceola County, *Fire Rescue Assessments*, available at https://www.osceola.org/files/assets/county/v/1/doing-business/building-amp-permits/documents/impact-and-mobility-fees-office/2024-10-21_serviceassessments-fy2024-2025-accessible.pdf (last visited Feb. 21, 2026).

⁴⁵ *MRVZ Park Investors 2, LLC v. Sumter Cnty.*, No. 2024-CA-00404 (Fla. Sumter Cnty. Ct.); *NHC-FL124, LLC v. Sumter Cnty.*, No. 2024-CA000405 (Fla. Sumter Cnty. Ct.), and *FL RV Village Wildwood, LLC v. Sumter Cnty.*, No. 2024-CA-00407 (Fla. Sumter Cnty. Ct.).

⁴⁶ *FL RV Village Wildwood LLC v. Sumter Cnty.*, Nos. 2024-CA-407, 2024-CA-405, 2024-CA-404 (Fla. Sumter Cnty. Ct. Nov. 19, 2024) (amended agreed order on defendant Sumter County's motions to consolidate cases).

Section 7 specifies that the changes made to sections 125.0168, 166.223, and 189.052, F.S., first apply to the 2026 assessment roll and take effect upon becoming a law.

Section 4 – Tax Increment Financing Exemption for Children’s Councils

Present Situation

Children’s Services Independent Special Districts

Counties can create independent special districts that provide funding for children’s services throughout the county.⁴⁷ The governing body of the district shall be a council on children’s services, which may also be known as a juvenile welfare board or similar name as established in the ordinance by the county governing body.⁴⁸ The county governing body must obtain approval, by a majority vote of those electors voting on the question, to levy ad valorem taxes to fund children’s services. The levy may not exceed 0.5 mills.⁴⁹ Tax money collected under s. 125.901, F.S., as soon after the collection thereof as is reasonably practicable, shall be paid directly to the council on children’s services by the tax collector of the county, or the clerk of the circuit court if the clerk collects delinquent taxes.⁵⁰

The following counties currently have councils on children’s services: Alachua, Broward, Escambia, Hillsborough, Leon, Martin, Miami-Dade, Okeechobee, Palm Beach, and St. Lucie.⁵¹

Community Redevelopment Agency

A community redevelopment agency (CRA) is a public agency created by, or designated pursuant to, s. 163.356, F.S., or s. 163.357 F.S. A CRA is responsible for undertakings, activities, or projects in a community redevelopment area for the elimination and prevention of the development or spread of slums and blight, or for the reduction or prevention of crime, or for the provision of affordable housing in accordance with a community redevelopment plan and may include the preparation of such a plan.⁵²

Redevelopment Trust Fund

After approval of a community redevelopment plan, there may be established a redevelopment trust fund for each CRA. Funds shall be used by the agency to finance or refinance any community redevelopment it undertakes pursuant to the approved community redevelopment plan.⁵³

Upon the adoption of an ordinance for a redevelopment trust fund, each taxing authority shall, by January 1 of each year, appropriate to the trust fund for so long as any indebtedness pledging

⁴⁷ Section 125.901(1), F.S.

⁴⁸ Section 125.901(1)(a), F.S.

⁴⁹ Section 125.901(3)(b), F.S.

⁵⁰ Section 125.901(3)(d), F.S.

⁵¹ Florida Commerce, *Official List of Special Districts*, (click on Create a Customized List of Special Districts, under Special Purpose, select “Children’s Services), available at: <https://www.floridajobs.org/community-planning-and-development/special-districts/special-district-accountability-program/official-list-of-special-districts> (last visited March 2, 2026).

⁵² Section 163.340(1) and 163.340(9), F.S.

⁵³ Section 163.387(1), F.S.

increment revenues to the payment thereof is outstanding (but not to exceed 30 years) a sum that is no less than the tax increment accruing to such taxing authority.⁵⁴

Tax Increment Financing

The annual funding of the redevelopment trust fund shall be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing authority derived from or held in connection with the undertaking and carrying out of community redevelopment under this part.

Such increment shall be determined annually and shall be that amount equal to 95 percent of the difference between:

- The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of a community redevelopment area; and
- The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the community redevelopment area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of the ordinance providing for the funding of the trust fund.

However, the governing body may determine that the amount to be funded by each taxing authority annually shall be less than 95 percent of the difference, but in no event shall such amount be less than 50 percent of such difference.⁵⁵

Additionally, alternate provisions contained in an interlocal agreement between a taxing authority and the governing body that created the CRA may supersede the provisions of s. 163.387, F.S., with respect to that taxing authority. The community redevelopment agency may be an additional party to any such agreement.⁵⁶

Entities Exempt from Tax Increment Financing

The following public bodies or taxing authorities are exempt from tax increment financing:

- A special district that levies ad valorem taxes on taxable real property in more than one county.
- A special district for which the sole available source of revenue the district has the authority to levy is ad valorem taxes at the time an ordinance is adopted under this section. However, revenues or aid that may be dispensed or appropriated to a district as defined in s. 388.011 at the discretion of an entity other than such district shall not be deemed available.
- A library district, except a library district in a jurisdiction where the community redevelopment agency had validated bonds as of April 30, 1984.
- A neighborhood improvement district created under the Safe Neighborhoods Act.
- A metropolitan transportation authority.

⁵⁴ Section 163.387(2), F.S.

⁵⁵ Section 163.387(1)(a), F.S.

⁵⁶ Section 163.387(3)(b), F.S.

- A water management district created under s. 373.069, F.S.
- For a community redevelopment agency created on or after July 1, 2016, a hospital district that is a special district as defined in s. 189.012, F.S.⁵⁷

Proposed Changes

Section 4 amends s. 163.387, F.S. to exempt a special district that levies ad valorem taxes on real property predominantly to fund children's services pursuant to s. 125.901, F.S., or other legislative acts from transferring tax increment financing funds to the CRA trust fund.

Section 42 provides a reenactment of provisions as necessary to implement the exemption.

Sections 8, 10, 11, and 12 – Inheritance of Homestead Property

Present Situation

Article VII, s. 4 of the Florida Constitution provides that after any change of ownership, as provided by general law, homestead property shall be assessed at just value as of January 1 of the following year, unless the provisions allowing transfer of the Save Our Home benefits apply.

A change of ownership means any sale, foreclosure, or transfer of legal title or beneficial title in equity to any person, except if any of the following apply:⁵⁸

- Subsequent to the change or transfer, the same person is entitled to the homestead exemption as was previously entitled and:
 - The transfer of title is to correct an error;
 - The transfer is between legal and equitable title or equitable and equitable title and no additional person applies for a homestead exemption on the property;
 - The change or transfer is by means of an instrument in which the owner is listed as both grantor and grantee of the real property and one or more other individuals are additionally named as grantee. However, if any individual who is additionally named as a grantee applies for a homestead exemption on the property, the application is considered a change of ownership;
 - The change or transfer is by means of an instrument in which the owner entitled to the homestead exemption is listed as both grantor and grantee of the real property and one or more other individuals, all of whom held title as joint tenants with rights of survivorship with the owner, are named only as grantors and are removed from the title; or
 - The person is a lessee entitled to the homestead exemption under s. 196.041(1), F.S.
- Legal or equitable title is changed or transferred between husband and wife, including a change or transfer to a surviving spouse or a transfer due to a dissolution of marriage.
- The transfer occurs by operation of law to the surviving spouse or minor child or children under s. 732.401, F.S.
- Upon the death of the owner, the transfer is between the owner and another who is a permanent resident and who is legally or naturally dependent upon the owner.
- The transfer occurs with respect to a property where all of the following apply:
 - Multiple owners hold title as joint tenants with rights of survivorship;

⁵⁷ Section 163.387(2)(c), F.S.

⁵⁸ Section 193.155(3)(a), F.S.

- One or more owners were entitled to and received the homestead exemption on the property;
- The death of one or more owners occurs; and
- Subsequent to the transfer, the surviving owner or owners previously entitled to and receiving the homestead exemption continue to be entitled to and receive the homestead exemption.

A leasehold interest that qualifies for the homestead exemption under ss. 196.031 or 196.041, F.S., shall be treated as an equitable interest in the property.⁵⁹

Proposed Changes

Section 8 amends s. 193.155(3), F.S., to specify that, for the purpose of homestead exemption, the property transfer is not a change of ownership if upon the death of the owner, the transfer meets all of the following conditions:

- The owner held legal or equitable title to the property and was entitled to and received the homestead exemption at the time of death.
- The property is devised by a will to only one lineal descendant of the owner, as these terms are defined in s. 731.201, F.S.
- A lineal descendant makes the property his or her homestead as of the second January 1 after the death of the owner.
- The lineal descendant files with the property appraiser proof of his or her entitlement to continue the decedent's assessment by refiling and updating the homestead application under s. 196.011, F.S. The decedent's certificate of death, a certified copy of the decedent's will, a certified copy of the order admitting that will to probate, and an affidavit that the lineal descendant has inherited the real property through that will, must be submitted with the application. Submitting the documents required herein is prima facie evidence of entitlement. If the lineal descendant has a prior homestead, the filing of proof is deemed to be an abandonment of his or her prior homestead property as of the date of the owner's death.

These changes may not be construed to establish homestead property for a descendant who is not otherwise entitled. Section 193.155(8), F.S., may not be applied to a property transferred pursuant to these changes.

Section 8 also amends s. 193.155(10), F.S., to specify if the property appraiser improperly grants the property assessment limitation or on property deemed abandoned under s. 193,155(3)(a)6, F.S., the person or entity improperly receiving the property assessment limitation may not be assessed a penalty or interest.

Back taxes on the assessment limitation shall apply as follows:

- If the person who received the limitation on property deemed abandoned under s. 193,155(3)(a)6, F.S., voluntarily discloses to the property appraiser that he or she was not entitled to the limitation before the property appraiser notifies the owner of the mistake or omission, no back taxes shall be due.

⁵⁹ Section 193.155(3)(b), F.S.

- If the person who received the limitation on property deemed abandoned under s. 193.155(3)(a)6, F.S., does not voluntarily disclose to the property appraiser that he or she was not entitled to the limitation before the property appraiser notifies the owner of the mistake or omission, back taxes shall be due for any year or years that the owner was not entitled to the limitation within the 5 years before the property appraiser notified the owner of the mistake or omission.

Section 10 amends s. 196.011(10), F.S., to specify that if a homestead exemption is granted on property deemed abandoned under s. 193.155(3)(a)6., F.S., the taxpayer may not be assessed a penalty or interest. Section 10 also makes conforming changes.

Back taxes on the homestead exemption shall apply only as follows:

- If the person who received the homestead exemption on property deemed abandoned under s. 193.155(3)(a)6., F.S., voluntarily discloses to the property appraiser that he or she was not entitled to the homestead exemption before the property appraiser notifies the owner of the mistake or omission, no back taxes shall be due.
- If the person who received the homestead exemption on property deemed abandoned under s. 193.155(3)(a)6., F.S., does not voluntarily disclose to the property appraiser that he or she was not entitled to the homestead exemption before the property appraiser notifies the owner of the mistake or omission, back taxes shall be due for any year or years that the owner was not entitled to the homestead exemption limitation within the 5 years before the property appraiser notified the owner of the mistake or omission.

Section 11 amends s. 196.031, F.S., to provide if an owner who inherited an interest in the property resides on the property, that owner is allowed an exemption of up to the assessed valuation of \$25,000 on the residence and contiguous real property. Also, to provide that, except for an interest inherited by a descendant, the amount of the exemption may not exceed the proportionate assessed valuation of all owners who reside on the property.

Section 12 specifies that the amendments made to ss. 193.155, 196.011, and 196.031, F.S., first apply to the 2027 property tax roll.

Section 9 – Value Adjustment Boards

Ad Valorem Taxation of Tangible Personal Property

Tangible personal property (“TPP”), as defined in s. 192.001(11)(d), F.S., means all goods, chattels, and other articles of value (but does not include vehicular items) capable of manual possession and whose chief value is intrinsic to the article itself. Inventory and household goods are expressly excluded from this definition.

Article VII, s. 1 of the Florida Constitution, grants exclusive authority to local governments to levy ad valorem taxes on tangible personal property.⁶⁰ Anyone who owns TPP on January 1 and has a proprietorship, partnership, corporation, or is a self-employed agent or contractor; or

⁶⁰ See also FLA. CONST. art. VII, s. 9(a).

leases, lends, or rents property, must file a TPP return to the property appraiser.⁶¹ A single return must be filed for each site in the county where the owner of the TPP transacts business.⁶²

Article VII, s. 3(e) of the Florida Constitution, provides for a \$25,000 exemption from the assessed value of TPP subject to ad valorem taxation. Each TPP tax return is eligible for said exemption from ad valorem tax up to \$25,000.⁶³

Timely Filing of TPP Returns

Annually, owners of TPP must file a TPP return with the county property appraiser by April 1. If requested, the property appraiser must grant a 30-day extension to file a TPP return and may grant an additional extension for up to 15 additional days, at his or her discretion. A request for extension must be made in time for the property appraiser to consider the request and act on it before the regular due date of the return.

An assessment may not be contested unless a return as required by s. 193.052, F.S., was timely filed. The term “timely filed”, means filed by the deadline established in s. 193.062, F.S., or before the expiration of any extension granted under s. 193.063, F.S. If notice is mailed pursuant to s. 193.073(1)(a), F.S., a complete return must be submitted under s. 193.073(1)(a), F.S., for the assessment to be contested. Owners of TPP who fail to file a TPP return, who submit a late TPP return, or omit TPP are subject to penalties.⁶⁴ However, for good cause, and upon finding that a TPP owner failed to list TPP on a return or that a late file was not intentional or made with the intent to evade or illegally avoid the payment of lawful taxes, the property appraiser or, in the case of properties valued by the Department of Revenue, the executive director may reduce or waive any of said penalties.

Section 194.032, F.S. enumerates the reasons that a value adjustment board may meet. At present, hearing appeals relating to the timely filing of TPP returns are not among the listed reasons.

The Value Adjustment Board Process

Each county has a Value Adjustment Board (VAB), comprised of two members of the governing body of the county, one member of the school board, and two citizen members appointed by the governing body of the county.⁶⁵ The county clerk acts as the clerk of the VAB.⁶⁶ The VAB may meet for the following enumerated reasons:

- Hearing petitions relating to assessments filed pursuant to s. 194.011(3), F.S.;
- Hearing complaints relating to homestead exemptions;
- Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications;
- Hearing appeals concerning ad valorem tax deferrals and classifications; and

⁶¹ FLA. DEP'T OF REVENUE, *Tangible Personal Property*, https://floridarevenue.com/property/Pages/Taxpayers_TangiblePersonalProperty.aspx (last visited April 10, 2025).

⁶² Section 196.183, F.S.

⁶³ *Id.*

⁶⁴ Section 193.072, F.S.

⁶⁵ Section 194.015, F.S.

⁶⁶ *Id.*

- Hearing appeals from determinations that a change of ownership or control, or a qualifying improvement has occurred.

A property owner may initiate an assessment valuation challenge by filing a petition with the clerk of the VAB within 25 days after the mailing of the TRIM notice.⁶⁷

The clerk of the VAB will schedule the petition for a hearing, during which a special magistrate will hear testimony and make a recommendation to the VAB on how the petition should be resolved.⁶⁸ The VAB renders a written decision within 20 calendar days after the last day the VAB is in session.⁶⁹ The decision of the VAB must contain findings of fact and conclusions of law and must include reasons for upholding or overturning the determination of the property appraiser.⁷⁰ The clerk of the VAB, upon issuance of a decision, must notify each taxpayer and the property appraiser of the decision of the VAB.⁷¹

Proposed Changes

Section 9 revises s. 194.032, F.S. to allow county value adjustment boards to hear appeals relating to the timely filing of TPP returns.

These changes take effect January 1, 2027.

Section 13 – Homestead Exemption Surviving Spouse Transfer

Present Situation

Homestead Exemptions for Certain Veterans and First Responders

In addition to exemptions granted to each person who makes property his or her homestead, the state constitution also authorizes other homestead exemptions based on the status, profession or condition of the person maintaining the homestead property.⁷² Specifically, Florida law provides several property tax exemptions and discounts for disabled veterans and first responders.⁷³ These include exemptions and discounts for the following persons:

- A veteran or first responder⁷⁴ with a total and permanent service-connected disability is entitled to a complete exemption for property owned and used as a homestead.⁷⁵

⁶⁷ Section 194.011(3)(d), F.S. The TRIM (Truth in Millage) notice informs a property owner of total ad valorem tax liability as well as other information about the assessment and millage rates. With respect to an issue involving the denial of an exemption, an agricultural or high-water recharge classification application, an application for classification as historic property used for commercial or certain nonprofit purposes, or a deferral, the petition must be filed at any time during the taxable year on or before the 30th day following the mailing of the notice by the property appraiser.

⁶⁸ Section 194.035, F.S.

⁶⁹ Section 194.034(2), F.S.

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *See, e.g.*, FLA. CONST. art. VII, s. 6(d); Sections 196.081, 196.082, 196.091, and 196.102, F.S.

⁷³ FLA. CONST. art. VII, s. 6(f) Sections 196.081, and 196.102, F.S.

⁷⁴ “First responder” in this context means a federal law enforcement officer as defined in s. 901.1505(1), a law enforcement officer or correctional officer as defined in s. 943.10, a firefighter as defined in s. 633.102, or an emergency medical technician or paramedic as defined in s. 401.23 who is a full-time paid employee, part-time paid employee, or unpaid volunteer. Section 196.081(6)(c)1., F.S.

⁷⁵ FLA. CONST. art. VII, s. 3(b); ss. 196.081 and 196.102, F.S.

- A veteran with a total service-connected disability that confines him or her to a wheelchair is entitled to a complete exemption for property owned and used as a homestead.⁷⁶
- Certain combat-disabled veterans who are age 65 or older are entitled to discounts on the taxable value of the property in an amount equal to the percentage of the veteran's permanent, service-connected disability.⁷⁷

Homestead Exemptions for the Surviving Spouses of Certain Deceased Veterans and First Responders

Florida law also provides instances where homestead exemptions granted by way of the status or condition of one's spouse carry over to the surviving spouse.⁷⁸ In those instances when certain veterans or first responders predecease their spouse, the surviving spouse may qualify for or continue to receive the exemption that would be granted or was granted to the veteran or first responder.⁷⁹ An exemption granted to a surviving spouse of a disabled or deceased veteran or first responder continues so long as the surviving spouse holds title to the homestead property, permanently resides thereon, and does not remarry. The amount exempted may be carried forward to a new homestead if the first property is sold, the newly acquired property is established as a homestead, and the surviving spouse does not remarry.

Applicant Documentation

The presentation of a letter of total and permanent disability from the United States Government or United States Department of Veterans Affairs (USDVA) or its predecessor by the surviving spouse to the property appraiser is prima facie evidence of entitlement to the exemption provided in 196.081(3), F.S.⁸⁰ Likewise, the presentation of a letter by the surviving spouse of a veteran who died from service-connected causes while active duty as a member of the United States Armed Forces which attests to the veteran's death while on active duty is prima facie evidence that the surviving spouse is entitled to the exemption provided in 196.081(4), F.S.; and the presentation of the letter by the surviving spouse of a first responder who died in the line of duty while employed by certain governmental entities which attests to the first responder's death in the line of duty is prima facie evidence that the surviving spouse is entitled to the exemption provided in 196.081(6), F.S. When the property appraiser receives the applicant documentation, the exemption is granted as of the date of the original application, and any excess taxes paid are required to be refunded, subject to the four years of limitation under s. 197.182(1)(e), F.S.⁸¹

Proposed Changes

Sections 13 amends s. 196.081, F.S., to increase the maximum homestead tax exemption that an eligible surviving spouse of a totally and permanently disabled veteran or a veteran or first responder who lost their life in service may transfer to a new primary residence. The bill increases the exemption transferred to the eligible surviving spouse's new homestead from the

⁷⁶ FLA. CONST. art. VII, s. 3(b); s. 196.091(1), F.S.

⁷⁷ Section 196.082, F.S.

⁷⁸ FLA. CONST. art. VII, s. 3(b); Section 196.081, 196.091, and 196.102, F.S.

⁷⁹ *Id.*

⁸⁰ Section 196.081(2), F.S.

⁸¹ Section 196.081(5), F.S.

amount granted on the most recent ad valorem tax roll to no more than 120 percent of that amount.

Sections 14 and 15 – Property Tax Exemption for Certain Deployed Servicemembers

Present Situation

Article VII, s. 3 of the Florida Constitution provides that by general law and subject to the conditions specified therein, each person who receives a homestead exemption as provided in section 6 of this article; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property.

A servicemember who receives a homestead exemption may receive an additional property tax exemption on that homestead property. The exemption is available to servicemembers who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of any of the following military operations:⁸²

- Operation Joint Task Force Bravo, which began in 1995.
- Operation Joint Guardian, which began on June 12, 1999.
- Operation Noble Eagle, which began on September 15, 2001.
- Operations in the Balkans, which began in 2004.
- Operation Nomad Shadow, which began in 2007.
- Operation U.S. Airstrikes Al Qaeda in Somalia, which began in January 2007.
- Operation Copper Dune, which began in 2009.
- Operation Georgia Deployment Program, which began in August 2009.
- Operation Spartan Shield, which began in June 2011.
- Operation Inherent Resolve, which began on August 8, 2014.
- Operation Atlantic Resolve, which began in April 2014.
- Operation Freedom's Sentinel, which began on January 1, 2015.
- Operation Resolute Support, which began in January 2015.
- Operation Juniper Shield, which began in February 2007.
- Operation Pacific Eagle, which began in September 2017.
- Operation Martillo, which began in January 2012.
- Operation Enduring Freedom – Horn of Africa, which began in January 2015.
- European Reassurance Initiative/European Deterrence Initiative, which began in 2014.

The exemption is also available to servicemembers who were deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of a subordinate operation to a main operation designated above.⁸³

⁸² Section 196.173(2), F.S.

⁸³ Section 196.173(3), F.S.

Additionally, by January 15 of each year, the Department of Military Affairs shall submit to the President of the Senate, the Speaker of the House of Representatives, and the tax committees of each house of the Legislature a report of all known and unclassified military operations outside the continental United States, Alaska, or Hawaii for which servicemembers based in the continental United States have been deployed during the previous calendar year.⁸⁴

Proposed Changes

Section 14 amends the list of military operations in s. 196.173(2), F.S. to add:

- Operation European Assure, Deter and Reinforce, which began in 2014
- Operations in Israel and the Gaza Strip’s Mediterranean territorial seas and air spaces, which began in March 2023.
- Operations in support of the Pacific Deterrence Initiative, which began in 2021.
- Operation Southern Spear, which began in 2025.
- Operation Sharp Sentry, which began in 2010.
- Operations by the Multinational Force and Observers, which began in 1981.

Section 15 provides that the amendments made to s. 196.173, F.S., first apply to the 2026 property tax roll.

These changes take effect upon this act becoming a law.

Sections 16 and 17 – Missing Middle Opt-out

Present Situation

The Live Local Act created an ad valorem tax exemption for owners that provide affordable housing⁸⁵ in newly constructed multifamily rental developments.⁸⁶ Also known as the “Missing Middle” exemption, developments must contain more than 70 units or, if in an area of critical state concern, as designated by s. 380.0552, F.S., or chapter 28-36, F.A.C.,⁸⁷ 10 units, dedicated to housing natural persons or families below prescribed income thresholds.

In addition, the property must be rented to persons or families whose annual household income does not exceed 120 percent of the median annual adjusted gross income (AMI) in amounts that do not exceed limits established by the United States Department of Housing and Urban Development, which are published by the Florida Housing Finance Corporation, or 90 percent of the fair market value rent as determined by a rental market study.⁸⁸

Such property used to provide affordable housing at the 80 to 120 percent AMI threshold receives an exemption of 75 percent of the assessed value of the affordable units, while property

⁸⁴ Section 196.173(4), F.S.

⁸⁵ Section 8, Ch. 2023-17, L.O.F. codified under s. 196.1978(3), F.S.

⁸⁶ The term “newly constructed” means an improvement to real property which was substantially completed within 5 years before the date of an applicant’s first submission of a request for a certification notice pursuant to this subsection.

⁸⁷ An area of critical state concern, as designated by s. 380.0552 or chapter 28-36, Florida Administrative Code refers to the City of Key West and the Florida Keys Area, which includes unincorporated Monroe County and the municipalities of Layton, Islamorada, Marathon and Key Colony Beach.

⁸⁸ Section 196.1978(3)(b)3., F.S.

providing affordable housing up to the 80 percent AMI threshold receives a complete ad valorem tax exemption for the affordable units.

Beginning with the 2025 tax roll, a taxing authority may elect not to exempt property used to house persons or families whose annual household income is greater than 80 percent but not more than 120 percent of the median annual adjusted gross income. An election made pursuant to this law may apply only to the ad valorem property tax levied within a county by the taxing authority making the election.⁸⁹

A taxing authority electing to not exempt such property, must make a finding in an ordinance or resolution that the most recently published Shimberg Center for Housing Studies Annual Report identifies that a county that is part of the jurisdiction of the taxing authority is within a metropolitan statistical area or region (MSA) where the number of affordable and available units in the MSA is greater than the number of renter households in the MSA for the category entitled “0-120 percent AMI.”⁹⁰ Essentially, an area where there is a surplus of affordable housing for persons up to the 120 percent AMI threshold. An ordinance or resolution takes effect on the January 1 immediately after adoption and expires on the second January 1 after having taken effect. The ordinance or resolution may be renewed before expiring if the taxing authority meets the statutory requirements.

This exemption first applied to the 2024 tax roll and will expire on December 31, 2059.

Building Permits

It is the intent of the Legislature that local governments have the power to inspect all buildings, structures, and facilities within their jurisdiction for the protection of the public’s health, safety, and welfare.⁹¹ Every local government must enforce the Florida Building Code and issue building permits.⁹²

A building permit is an official document or certificate issued by the local building official that authorizes performance of a specified activity.⁹³ It is unlawful for a person, firm, corporation, or governmental entity to construct, erect, alter, modify, repair, or demolish any building without first obtaining a building permit from the appropriate enforcing agency or from such persons as may, by resolution or regulation, delegated the authority to issue such permit.⁹⁴

Current law requires local governments to post their building permit applications, including a list of all required attachments, drawings, and documents for each application, on their website.⁹⁵ The act prescribes the information and format of applications for fire alarm permit applications.⁹⁶

⁸⁹ Section 196.1978(3)(o), F.S.

⁹⁰ Section 196.1978(3)(o) 2., F.S.

⁹¹ Section 553.72(2), F.S.

⁹² Section 553.80(1), F.S. *See also* ss. 125.01(1)(bb) and 125.56(1), F.S.

⁹³ Florida Building Code, *2023 Florida Building Code: 8th Edition*, s. 220 (2023), available at https://codes.iccsafe.org/content/FLBC2023P1/chapter-2-definitions#FLBC2023P1_Ch02_Sec202 (last visited Feb. 4, 2026).

⁹⁴ Section 553.79(1), F.S. *See also* s. 125.56(4)(a), F.S.

⁹⁵ Section 553.79(1), F.S.

⁹⁶ *See* s. 553.7921, F.S.

The minimum application information and format requirements for other building permits issued by local governments are prescribed by s. 713.135, F.S.

Any construction work that requires a building permit also requires plans and inspections to ensure the work complies with the Building Code.⁹⁷ The Building Code requires certain building, electrical, plumbing, mechanical, and gas inspections.⁹⁸ Construction work may not be performed beyond a certain point until it passes an inspection.⁹⁹ Generally speaking, a permit for construction work that passes the required inspections are considered completed or closed.¹⁰⁰

Shimberg Report

The Shimberg Center for Housing Studies was established at the University of Florida in 1988.¹⁰¹ The Center conducts research on housing policy and planning and provides data and research to state agencies and other interested persons.¹⁰² The Department of Commerce's research and planning functions include the collection of data on the need for affordable housing and the extent to which that need is being met. The Shimberg Center fulfills the department's function, in part, through quantifying affordable housing needs in this state and inventorying the supply of affordable housing.¹⁰³ By December 31 of each year, the Shimberg Center for Housing Studies must submit to the Legislature an updated housing report describing the supply of and need for affordable housing.¹⁰⁴

The 2025 Annual Report indicates that renter households outnumber affordable and available units statewide by 73,307 in the 0-120 percent category.¹⁰⁵

Proposed Changes

Section 16 amends section 196.1978(3), F.S., to require a taxing authority make a finding that Shimberg's annual reports for each of the 3 previous years identify the number of affordable and available units in the metropolitan statistical area or region is greater than the number of renter households in the metropolitan statistical area or region for the category entitled "0-120 percent AMI." Additionally, the bill provides that, notwithstanding an ordinance or a resolution or a renewal thereof, the owner of a property in a multifamily project that was issued a building permit on or after July 1, 2026, for the development of residential units in the multifamily project within 4 years before the adoption of such ordinance or resolution or renewal may apply for and be granted the exemption after meeting the requirements of this specified in statute and may

⁹⁷ See s. 533.79(2), F.S.

⁹⁸ Florida Building Code, *2023 Florida Building Code: 8th Edition*, s. 110.3 (2023), available at https://codes.iccsafe.org/content/FLBC2023P1/chapter-1-scope-and-administration#FLBC2023P1_Ch01_SubCh02_Sec110 (last visited Feb. 4, 2026).

⁹⁹ *Id.* at s. 110.6

¹⁰⁰ Section 533.79(16), F.S.

¹⁰¹ Shimberg Center for Housing Studies University of Florida, *News Highlights*, available at <http://www.shimberg.ufl.edu/> (last visited Feb. 19, 2026)

¹⁰² Shimberg Center for Housing Studies University of Florida, *About the Shimberg Center*, available at <http://www.shimberg.ufl.edu/about> (last visited Feb. 19, 2026)

¹⁰³ Section 420.6075, F.S.

¹⁰⁴ *Id.*

¹⁰⁵ Shimberg Center for Housing Studies, *2025 Annual Report*, available at http://www.shimberg.ufl.edu/publications/Shimberg_Center_Annual_Report_2025.pdf (last visited Feb. 19, 2026)

continue to receive such exemption for each subsequent consecutive year in which the same owner or each successive owner applies for and is granted the exemption.

Section 17 specifies that the amendments made to section 196.1978, F.S., first apply to the 2027 property tax roll. Additionally, an ordinance adopted pursuant to s. 196.1978(3), F.S., before July 1, 2026, is valid until its expiration.

Section 18 – Maximum Millage Vote Threshold (No Prior Year Levy)

Present Situation

In each fiscal year, the maximum millage rate that a county, municipality, special district dependent to a county or municipality, municipal service taxing unit, or independent special district may levy is a rolled-back rate based on the amount of taxes which would have been levied in the prior year if the maximum millage rate had been applied, adjusted for change in per capita Florida personal income, unless a higher rate was adopted, in which case the maximum millage rate is the prior year adopted rate.¹⁰⁶

Once the maximum millage rate has been calculated, a local government may only adopt a higher rate under the following conditions:

- A rate of not more than 110 percent of the rolled-back rate based on the previous year's maximum millage rate, adjusted for change in per capita Florida personal income, may be adopted if approved by a two-thirds vote of the membership of the governing body of the county, municipality, or independent district.¹⁰⁷
- A rate in excess of 110 percent may be adopted if approved by a unanimous vote of the membership of the governing body of the county, municipality, or independent district or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.¹⁰⁸

Voted millage and taxes levied by a municipality or independent special district that has levied ad valorem taxes for less than 5 years are not subject to the voting thresholds associated with the maximum millage limitation discussed above.¹⁰⁹

The maximum millage rate limitation in statute does not explicitly specify the vote threshold to adopt a rate when a taxing authority is in its first year or when a taxing authority had a millage rate of zero in the previous year. The Attorney General's Office opined that:

In a situation where the previous year's millage is zero and the resulting rolled-back rate is zero, however, any increase in the millage rate in a subsequent year would be in excess of 110 percent of the rolled-back rate. Thus, section 200.065(5)(a)2., Florida Statutes, by its plain language applies to any rate increase in excess of 110 percent and would authorize

¹⁰⁶ Section 200.065(5)(a), F.S.

¹⁰⁷ Section 200.065(5)(a)1., F.S.

¹⁰⁸ Section 200.065(5)(a)2., F.S.

¹⁰⁹ Section 200.065(5)(b), F.S.

such an increase by a unanimous vote of the board or by referendum approval.¹¹⁰

Proposed Changes

Section 18 amends section 200.065(5)(b), F.S., to specify that the nonvoted millage rate that any other taxing authority that is subject to the maximum millage limitation may levy in its first year or in a year immediately succeeding a year in which the millage rate was zero must be approved by a vote as provided for in section 200.065(5)(a)2, F.S.

Section 200.065(5)(a)2, F.S., states that a rate in excess of 110 percent may be adopted if approved by a unanimous vote of the membership of the governing body of the county, municipality, or independent district or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.

Sections 19, 26, 27, 36 through 41, and 45 through 59 – Distribution Change and Definition Change for Fiscally Constrained Counties

Present Situation

Fiscally Constrained Counties

Fiscally constrained counties are counties entirely within a rural area of opportunity or where a 1-mill levy would raise no more than \$5 million in annual tax revenue.¹¹¹ A “rural area of opportunity” is a rural community, or a region composed of rural communities, designated by the Governor, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster. A rural area of opportunity may also be a community or communities that present a unique economic development opportunity of regional impact.¹¹²

There are 29 counties that currently meet these conditions; Baker, Bradford, Calhoun, Columbia, Desoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, and Washington.¹¹³ Although each of the counties is designated by the Governor as a rural area of opportunity,¹¹⁴ Highland’s and Putnam’s 1-mill levy currently surpass the \$5 million threshold.¹¹⁵

¹¹⁰ Op. Att’y Gen. Fla. 2010-33 (2010).

¹¹¹ Section 218.67(1), F.S.

¹¹² Section 288.0656 (1), F.S.

¹¹³ Florida Department of Revenue, *Fiscally Constrained Counties*, available at https://www.floridarevenue.com/property/Documents/fcc_map.pdf (last visited Feb. 18, 2026).

¹¹⁴ Executive Office of the Governor, see Executive Orders 21-149, 23-132, and 25-141, available at <https://www.flgov.com/eog/news/executive-orders> (last visited Feb. 18, 2025).

¹¹⁵ Florida Office of Economic and Demographic Research, *Detailed County Taxable Value* (January 2026), available at https://edr.state.fl.us/Content/conferences/advalorem/adval_StatewideComparisonCounty.pdf (last visited Feb. 21, 2026).

Direct-to-Home Satellite Service Tax Distribution

Retail sales of direct-to-home satellite service received in Florida are subject to the communications service tax at the rate of 9.07 percent and the gross receipts tax at the rate of 2.37 percent.¹¹⁶

From these communications services tax receipts, 55.9 percent is distributed through the state's "standard" sales tax distribution formula.¹¹⁷ The remaining 44.1 percent is transferred to the Local Government Half-cent Sales Tax Trust Fund.¹¹⁸

Seventy percent of the transfer is distributed formulaically to all counties within the state. The remaining 30 percent is distributed to fiscally constrained counties that are eligible to participate in the local government half-cent sales tax distribution.¹¹⁹ Fiscally constrained counties may use the funds from this distribution for any public purpose, except for debt service.¹²⁰

The collections from the tax on direct-to-home satellite service have declined in recent years; with distributions to fiscally constrained counties decreasing from \$18.1 million in Fiscal Year 2018-2019¹²¹ to \$9.5 million in Fiscal Year 2024-2025.¹²²

Distribution Factors

Each fiscally constrained county receives a portion of the total direct-to-home satellite service distribution. At the beginning of each fiscal year, the Department of Revenue (DOR) determines the amount to be distributed to each fiscally constrained county using the prior fiscal year's certified school taxable value, county millage rate, and latest April 1 county population, excluding prisoners.¹²³ The following factors are created by the DOR to determine each county's relative share of the total distribution available for the coming fiscal year:¹²⁴

The relative revenue-raising-capacity factor is based on a county's certified school taxable value and population and referred to in law as the ability of a county to generate property tax revenues from 1 mill on a per capita basis.¹²⁵ Counties that generate less per capita revenue receive a higher factor. For example, a county that raises \$25 or less per capita receives a factor value of 1; whereas a county that raises more than \$50 per capita receives a factor value of 0. In Fiscal Year 2025-2026, only two fiscally constrained counties were eligible for this factor.¹²⁶

¹¹⁶ Sections 202.12(1)(b) and 203.01(1)(b)2., F.S.

¹¹⁷ Section 202.18(2)(b), F.S. *See also* s. 212.20(6)(d), F.S. Gross receipts tax revenues are distributed to the Public Education Capital Outlay (PECO) and Debt Service Trust Fund in accordance with section 9 of Article XII of the State Constitution.

¹¹⁸ Section 202.18(2)(c)1., F.S.

¹¹⁹ *Id.*

¹²⁰ Section 218.67(5), F.S.

¹²¹ Florida Office of Economic and Demographic Research, *Ordinary, Emergency, Supplemental, and Fiscally-Constrained Distributions by County: SFY 1987-2024*, available at <https://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm> (last visited Feb. 21, 2026).

¹²² Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Form 5, available at <https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx> (last visited Feb. 18, 2026).

¹²³ Section 186.901, F.S.

¹²⁴ Section 218.67(3)(a), F.S.

¹²⁵ *Id.*

¹²⁶ Email correspondence with staff at the Department of Revenue, Dec. 4, 2025 (on file with the Senate Committee on Finance and Tax).

The local-effort factor is based on a county's millage rate and referred to in law as a measure of the relative level of local effort of a county as indicated by the millage rate levied for the prior fiscal year.¹²⁷ This factor guarantees that each county receives a portion of the total distribution. It uses the most recently adopted countywide operating millage rate for each eligible county and multiplies that millage rate by 0.1. For example, a county with a countywide operating millage rate of 6.73 would receive a factor value of 0.673.

Sales and Use Tax and Fiscally Constrained Counties

A portion of Florida's state sales and use tax collections are distributed to all eligible counties and municipalities through the County and Municipal Revenue Sharing programs and the Local Government Half-Cent Sales Tax program. These programs distributed to fiscally constrained counties, including municipalities within the counties, approximately \$333.2 million in Fiscal Year 2024-2025.¹²⁸

In contrast to the tax on direct-to-home satellite service, collections from sales tax have increased from \$28.5 billion in Fiscal Year 2018-2019 to \$41.1 billion in Fiscal Year 2024-2025.¹²⁹ Additionally, sales tax collections are based on sales of a wide variety of goods and some services and change with the state's economic cycles.

Proposed Changes

Section 19 amends s. 202.18, F.S., to redirect the entire remainder of direct-to-home satellite service tax to the Local Government Half-Cent Sales Tax Trust Fund. This effectively ends the 30 percent distribution for fiscally constrained counties, which is replaced by a new distribution as described in the sections below.

Section 26 amends s. 212.20, F.S., to create a new sales tax distribution for fiscally constrained counties. The new distribution is the greater of \$50 million or 0.1412 percent of available sales tax proceeds.

Section 27 amends s. 218.67, F.S., to replace the fiscally constrained county distribution factors discussed in the present situation with:

- The contribution-to-revenue factor. This factor is calculated by dividing the county's population by the sales tax collections attributable to the county and then multiplying by 100.
- The personal-income factor. This factor is calculated by dividing the median per capita personal income of participating counties by the county's per capita personal income.

Each county's proportional allocation of the newly created sales tax distribution must be the same proportion as the sum of the county's two new factors is to the sum of the two factors for all eligible counties. The bill also adds requirements that the proportional rate computation must

¹²⁷ Section 218.67(3)(b), F.S.

¹²⁸ Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Forms 5 and 6, available at <https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx> (last visited Feb. 18, 2026).

¹²⁹ Florida Office of Economic and Demographic Research, *Revenue Estimating Conference Long-Term Revenue Analysis, Volume 41, Rev. Nov. 6, 2025*, available at <https://edr.state.fl.us/Content/conferences/longtermrevenue/index.cfm> (last visited Feb. 21, 2026).

be carried to the fifth decimal place and that the amount to distribute to each county must be rounded to the next whole dollar amount.

The money distributed pursuant to this section must be allocated as follows: 50 percent of the distribution may be used for public safety, including for salaries for law enforcement, correctional officers, firefighters, emergency medical technicians, or paramedics; 30 percent may be used for infrastructure; and 20 percent may be used for any public purpose. The money received may not be used for debt service.

The bill removes the provision for a county to be classified as fiscally constrained if the county is entirely within a rural area of opportunity. It also increases the revenue qualification from where a 1-mill levy would raise no more than \$10 million, which is an increase from \$5 million.

Sections 36 through 41 and 45 through 59 make conforming changes throughout Florida Statutes and provides reenactments of provisions as necessary to implement the distribution change and definition change for fiscally constrained counties.

Sections 20, 21, 23, 24, 43, 44, and 61 – Provision of Electric Vehicle Charging

Present Situation

Electric Vehicles

The U.S. Department of Energy’s Alternative Fuels Data Center (AFDC) uses the term, “electric-drive vehicles,” as referring collectively to hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV), and all-electric vehicles (EV)—which are also known as battery electric vehicles (or BEVs).¹³⁰ According to the AFDC:

- HEVs are primarily powered by an internal combustion engine that runs on conventional or alternative fuel and an electric motor using energy stored in a battery. The battery is charged through regenerative braking and the internal combustion engine, not by plugging in to charge.
- PHEVs are powered by an internal combustion engine and an electric motor using energy stored in a battery. They can operate in all-electric mode through a larger battery, which can be plugged into an electric power source to charge. Most can travel between 20 and 40 miles on electricity alone and then will operate solely on gasoline—similar to a conventional hybrid.
- EVs use a battery to store the electric energy that is charged by plugging the vehicle into charging equipment. EVs always operate in all-electric mode and have typical driving ranges from 150 to 400 miles.¹³¹

The primary difference between an EV and a traditional internal combustion engine (ICE) vehicle lies in their power trains. The main components of an EV power train are its battery, a

¹³⁰ U.S. Dept. Energy, AFDC, *Hybrid and Plug-In Electric Vehicles*, available at: <https://afdc.energy.gov/vehicles/electric.html> (last visited Feb. 2, 2026).

¹³¹ *Id.*

motor, and ancillary systems. The main components of an ICE power train are its liquid fuel storage, combustion chambers and related cooling system, transmission, and exhaust system.¹³²

For purposes of vehicle registration, Florida law currently defines the term “electric vehicle” to mean a motor vehicle that is powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current.¹³³

Electric Vehicle Charging Stations

EVs need access to charging stations. For most EV users, charging starts at home or at fleet facilities. Charging stations at other commonly-visited locations, however, such as work, public destinations, and along roadways, can offer more flexible fueling charging opportunities. While most EV owners do the majority of their charging at home, the growth of charging stations has made longer distance travel with EVs more feasible and has helped grow the market for EVs.¹³⁴

There are three general types of chargers:

- Level 1: Level 1 chargers use a standard 120-volt home outlet (i.e. a standard wall socket). These are the slowest types of chargers and, on average, provide about five miles of driving distance per hour of charging.
- Level 2: Level 2 chargers use a 240-volt outlet. Such outlets are often used for larger home appliances with greater power needs, such as electric ovens and clothes dryers. To use such chargers at home, homeowners may need a professional to install a 240-volt outlet in a vehicle-accessible location and additional equipment installation may be necessary. Level 2 chargers can also be found in some public charging stations. Level 2 chargers, on average, provide about 25 miles of driving distance per hour of charging.
- Direct Charge Fast Chargers (DCFC): DCFC are the fastest types of chargers. These are not typically found in homes. However, they are available at public charging stations and along roadways and highway routes. They work by supplying high levels of electricity directly to the EV’s battery—bypassing the typical EV equipment that converts alternating current (AC)¹³⁵ to direct current (DC). These types of chargers provide approximately 100 to 300 miles of driving for a 30-minute charge; some DCFC can charge even faster than this.¹³⁶

EV Charging in Florida

Since the current regulatory structure of electric utilities in Florida includes exclusive service territories, the sale of electricity to retail, or end-use customers by a third party is not permitted.¹³⁷ In 2012 the Florida Legislature created an exemption for EV charging, under s. 366.94(4), F.S., declaring that the provision of electric vehicle charging to the public by a non-

¹³² Brandon S. Tracy, Cong. Research Serv., R47227, *Critical Minerals in Electric Vehicle Batteries*, (2022), available at: <https://crsreports.congress.gov/product/pdf/R/R47227> (last visited Feb. 2, 2026).

¹³³ Section 320.01(36), F.S.

¹³⁴ U.S. Dept. of Energy, *Developing Infrastructure to Charge Electric Vehicles*, available at: <https://afdc.energy.gov/fuels/electricity-stations> (Jan. 24, 2024), (last visited Feb. 2, 2026).

¹³⁵ AC is the type of main power supplied through the electric distribution grid to residential, commercial, and industrial customers.

¹³⁶ Environmental Protection Agency, *Plug-in Electric Vehicle Charging: The Basics*, available at: <https://www.epa.gov/greenvehicles/plug-electric-vehicle-charging-basics> (last visited Feb. 2, 2026).

¹³⁷ FDOT, *EV Infrastructure Master Plan* (July 2021), p. 16, available at: <https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/fto/fdotevmp.pdf> (last visited Feb. 2, 2026).

utility is not considered a retail sale of electricity under ch. 366, F.S. The rates, terms, and conditions of EV charging by a non-utility are not subject to Florida Public Service Commission (PSC) regulation.¹³⁸

Statistics provided by the U.S. Department of Energy show that Florida has the third largest EV charging infrastructure in the country, behind California and New York.¹³⁹ As of February 2, 2026, Florida has the following numbers of charging infrastructure:¹⁴⁰

- Station locations – 4,096
- EV supply equipment ports – 13,806
- Level 1 chargers - 21
- Level 2 chargers – 9,397
- DCFC – 4,388

Florida Public Service Commission

The PSC is an arm of the legislative branch of government.¹⁴¹ The role of the PSC is to ensure Florida’s consumers receive utility services, including electric, natural gas, telephone, water, and wastewater, in a safe and reliable manner and at fair prices.¹⁴² In order to do so, the PSC exercises authority over utilities in one or more of the following areas: rate base or economic regulation; competitive market oversight; and monitoring of safety, reliability, and service issues.¹⁴³

Electric Utilities

The PSC monitors the safety and reliability of the electric power grid¹⁴⁴ and may order the addition or repair of infrastructure as necessary.¹⁴⁵ The PSC has broad jurisdiction over the rates and service of investor-owned electric and gas utilities¹⁴⁶ (defined as “public utilities” under ch. 366, F.S.).¹⁴⁷ However, the PSC does not fully regulate municipal electric utilities (utilities owned or operated on behalf of a municipality) or rural electric cooperatives. The PSC does have jurisdiction over these types of utilities with regard to rate structure, territorial boundaries, and bulk power supply operations and planning.¹⁴⁸ Municipally-owned utility rates and revenues are regulated by their respective local governments or local utility boards. Rates and revenues for a cooperative utility are regulated by its governing body elected by the cooperative’s membership.

¹³⁸ Section 366.94(1), F.S.

¹³⁹ United States Department of Energy, *Alternative Fuels Data Center: Alternative Fueling Station Counts by State*, available at: <https://afdc.energy.gov/stations/states> (last visited Feb. 2, 2026).

¹⁴⁰ *Id.*

¹⁴¹ Section 350.001, F.S.

¹⁴² See Florida Public Service Commission, *Florida Public Service Commission Homepage*, available at: <http://www.psc.state.fl.us> (last visited Feb. 2, 2026).

¹⁴³ Florida Public Service Commission, *About the PSC*, available at: <https://www.psc.state.fl.us/about> (last visited Feb. 2, 2026).

¹⁴⁴ Section 366.04(5) and (6), F.S.

¹⁴⁵ Section 366.05(1) and (8), F.S.

¹⁴⁶ Section 366.05, F.S.

¹⁴⁷ Section 366.02(8), F.S.

¹⁴⁸ Florida Public Service Commission, *About the PSC*, *supra* note 143.

Municipal Electric Utilities in Florida

A municipal electric is an electric or gas utility owned and operated by a municipality. Chapter 366, F.S., provides the majority of electric and gas utility regulations for Florida. While ch. 366, F.S., does not provide a definition, per se, for a “municipal utility,” variations of this terminology and the concept of these types of utilities appear throughout the chapter. Currently, Florida has 33 municipal electric utilities that serve over 14 percent of the state’s electric utility customers.¹⁴⁹

Rural Electric Cooperatives in Florida

At present, Florida has 18 rural electric cooperatives, with 16 of these cooperatives being distribution cooperatives and two being generation and transmission cooperatives.¹⁵⁰ These cooperatives operate in 57 of Florida’s 67 counties and have more than 2.7 million customers.¹⁵¹ Florida rural electric cooperatives serve a large percentage of area, but have a low customer density. Specifically, Florida cooperatives serve approximately 10 percent of Florida’s total electric utility customers, but their service territory covers 60 percent of Florida’s total land mass. Each cooperative is governed by a board of cooperative members elected by the cooperative’s membership.¹⁵²

Public Electric and Gas Utilities in Florida

There are four investor-owned electric utility companies (electric IOUs) in Florida: Florida Power & Light Company (FPL), Duke Energy Florida (Duke), Tampa Electric Company (TECO), and Florida Public Utilities Company (FPUC).¹⁵³ Electric IOU and gas IOU rates and revenues are regulated by the PSC, and the utilities must file periodic earnings reports. This allows the PSC to monitor earnings levels on an ongoing basis and adjust customer rates quickly if a company appears to be overearning.¹⁵⁴ If a utility believes it is earning below a reasonable level, it can petition the PSC for a change in rates.¹⁵⁵

Section 366.041(2), F.S., requires public utilities to provide adequate service to customers. As compensation for fulfilling that obligation, s. 366.06, F.S., requires the PSC to allow the IOUs to recover honestly and prudently invested costs of providing service, including investments in infrastructure and operating expenses used to provide electric service.¹⁵⁶

¹⁴⁹ Florida Municipal Electric Association, *About Us*, available at: <https://www.flpublicpower.com/about-us> (last visited Feb. 2, 2026).

¹⁵⁰ Florida Electric Cooperative Association, *Members*, available at: <https://feca.com/members/> (last visited Feb. 2, 2026).

¹⁵¹ Florida Electric Cooperative Association, *Our History*, available at: <https://feca.com/our-history/> (last visited Feb. 2, 2026).

¹⁵² *Id.*

¹⁵³ Florida Public Service Commission, *2025 Facts and Figures of the Florida Utility Industry*, p. 4, available at: <https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/General/FactsAndFigures/April%202025.pdf> (last visited Feb. 2, 2026).

¹⁵⁴ PSC, *2024 Annual Report*, p. 6, available at: <https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/General/AnnualReports/2024.pdf> (last visited Feb. 2, 2026).

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

General Overview of Taxation of Electrical Power

Florida levies on sales of electrical power or energy the sales and use tax¹⁵⁷ at a rate of 4.35 percent;¹⁵⁸ on charges for, or the use of, electrical power or energy subject to the sales and use tax, a gross receipts tax at a rate of 2.6 percent;¹⁵⁹ and on utility services a gross receipts tax at a rate of 2.5 percent.¹⁶⁰

If a transaction or use is exempt from sales tax, it is also exempt from the 2.6 percent tax on gross receipts.¹⁶¹ Examples of exempt electricity include sales of utilities and fuel to residential households or owners of residential models by utility companies who pay the 2.5 percent gross receipts tax;¹⁶² electricity used exclusively at a data center;¹⁶³ and electricity used directly or indirectly for production, packing, or processing of agricultural products on the farm or used directly or indirectly in a packinghouse, only if the electricity used for the exempt purpose is separately metered.¹⁶⁴

A seller of electrical power or energy may collect a combined rate of 6.95 percent¹⁶⁵, which consists of the 4.35 percent sales and use tax¹⁶⁶ and 2.6 percent gross receipts tax.¹⁶⁷

Sales tax is levied on the sale or rental of tangible personal property unless specifically exempted.¹⁶⁸ “Tangible personal property” means, in part, personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power.¹⁶⁹ Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.¹⁷⁰

The 2.6 percent gross receipts tax is due and payable at the same time as sales tax, and the laws governing the administration of the sales and use tax govern the administration and enforcement of the gross receipts tax.¹⁷¹

Gross Receipts Tax for Utility Services

As mentioned, the gross receipts tax rate applied to utility services is 2.5 percent¹⁷² and is levied against the total amount of gross receipts received by a distribution company for its sale of utility services if the utility service is delivered to the retail consumer by a distribution company and the

¹⁵⁷ Generally, local discretionary sales surtaxes are not levied on the sales amount above \$5,000; however, in the case of utility services, the entire amount of the charge is subject to the surtax. See s. 212.054(2)(b), F.S.

¹⁵⁸ Section 212.05(1)(e)1.c., F.S.

¹⁵⁹ Section 203.01(1)(b)3., F.S.

¹⁶⁰ Section 203.01(1)(b)1., F.S.

¹⁶¹ Section 203.01(1)(a)3., F.S.

¹⁶² Section 212.08(7)(j), F.S.

¹⁶³ Section 212.08(5)(r), F.S.

¹⁶⁴ Section 212.08(5)(e)2., F.S.

¹⁶⁵ Sections 203.0011, F.S. and 212.05011, F.S.

¹⁶⁶ Section 212.05(1)(e)1.c., F.S.

¹⁶⁷ Section 203.01(1)(b)4., F.S.

¹⁶⁸ Section 212.21, F.S.

¹⁶⁹ Section 212.02(19), F.S.

¹⁷⁰ Section 212.07(2), F.S.

¹⁷¹ Section 203.01(1)(a)3., F.S.

¹⁷² Section 203.01(1)(b)1., F.S.

retail consumer pays the distribution company a charge for utility service which includes a charge for both the electricity and the transportation of electricity to the retail consumer.¹⁷³ If a payment is not subject to the aforementioned method of taxation, the distribution company's receipts for the delivery of electricity shall be determined by multiplying the number of kilowatt hours delivered by the index price¹⁷⁴ and applying the rate of 2.5 percent.¹⁷⁵

“Distribution company” means any person owning or operating local electric or natural or manufactured gas utility distribution facilities within this state for the transmission, delivery, and sale of electricity or natural or manufactured gas. The term does not include natural gas transmission companies that are subject to the jurisdiction of the Federal Energy Regulatory Commission.¹⁷⁶

“Utility service” means electricity for light, heat, or power; and natural or manufactured gas for light, heat, or power, including transportation, delivery, transmission, and distribution of the electricity or natural or manufactured gas. This does not broaden the definition of utility service to include separately stated charges for tangible personal property or services which are not charges for the electricity or natural or manufactured gas or the transportation, delivery, transmission, or distribution of electricity or natural or manufactured gas.¹⁷⁷

Sale for Resale under Sales Tax

Florida law proclaims that every person is exercising a taxable privilege who engages in the business of selling tangible personal property at retail in this state.¹⁷⁸ A “retail sale” or a “sale at retail” means a sale to a consumer or to any person for any purpose other than for resale in the form of tangible personal property or services taxable under this chapter and includes all such transactions that may be made in lieu of retail sales or sales at retail.¹⁷⁹ Such person must file with the Department of Revenue (DOR) an application for a certificate of registration. Upon receipt of the application, the DOR must grant a certificate of registration and an annual resale certificate, which provides a dealer with the necessary documentation to purchase goods exempt from tax.¹⁸⁰

A retail sale includes the sale, use, storage, or consumption of tangible personal property, including machinery and equipment or parts thereof, purchased electricity, and fuels used to power machinery, when such items are used and dissipated in fabricating, converting, or processing tangible personal property for sale, even though they may become ingredients or

¹⁷³ Section 203.01(c)1., F.S.

¹⁷⁴ According to s. 203.01(d)2., F.S., the index price is the Florida price per kilowatt hour for retail consumers in the previous calendar year, as published in the United States Energy Information Administration Electric Power Monthly and announced by the Department of Revenue on June 1 of each year to be effective for the 12-month period beginning July 1 of that year. For each residential, commercial, and industrial customer class, the applicable index posted for residential, commercial, and industrial shall be applied in calculating the gross receipts to which the tax applies. If publication of the indices is delayed or discontinued, the last posted index shall be used until a current index is posted or the department adopts a comparable index by rule.

¹⁷⁵ Section 203.01(d)1., F.S.

¹⁷⁶ Section 203.012(1), F.S.

¹⁷⁷ Section 203.012(3), F.S.

¹⁷⁸ Section 212.05, F.S.

¹⁷⁹ Section 212.02(14)(a), F.S.

¹⁸⁰ Section 212.18(3), F.S.

components of the tangible personal property for sale through accident, wear, tear, erosion, corrosion, or similar means.¹⁸¹

A retail sale does not include materials, containers, labels, sacks, bags, or similar items intended to accompany a product sold to a customer without which delivery of the product would be impracticable because of the character of the contents and be used one time only for packaging tangible personal property for sale or for the convenience of the customer or for packaging in the process of providing a service taxable.¹⁸²

Proposed Changes

Section 20 amends s. 203.01(1)(a)1., F.S., to specify that the 2.5 percent gross receipts tax is imposed on gross receipts from utility services that are delivered to an owner or operator of an electric vehicle charging station as defined in s. 366.94(2), F.S. It also specifies that, except as provided, such tax is not imposed on the retail sale of electricity pursuant to s. 212.0516, F.S.

Section 20 provides that an owner or operator of an electric vehicle charging station that produces electrical energy for the provision of electricity to a consumer at an electric vehicle charging station is directly liable to the state for the 2.5 percent gross receipts tax and must register with the DOR to remit such tax. The amount of tax owed shall be equal to the cost price, as defined in s. 212.02, F.S. of such electricity, times the 2.5 percent gross receipts rate.

Section 20 specifies that possession by a distribution company of an affidavit from the owner or operator of an electric vehicle charging station, pursuant to s. 212.0516, F.S., relieves the distribution company from the responsibility of collecting the 2.6 percent gross receipts tax and the 4.35 percent sales tax and the DOR shall look solely to the owner or operator of the electric vehicle charging station for recovery of such taxes.

Section 20 also makes conforming changes.

Section 21 amends s. 203.012, F.S., to specify that the term “distribution company” does not include a person who owns or operates an electric vehicle charging station that purchases electricity for resale under s. 212.0516, F.S., and does not produce electrical energy for the provision of electricity to a consumer at an electric vehicle charging station.

Section 23 amends s. 212.05, F.S., to provide that the tax rate for the provision of electric vehicle charging pursuant to s. 212.0516, F.S., is 4.35 percent. Charges for the provision of electric vehicle charging do not include taxes imposed under ss. 166.231 and 203.01(1)(a)3, F.S.

Section 24 creates 212.0516, F.S. to provide a framework for the taxation of electricity at an electric vehicle charging station.

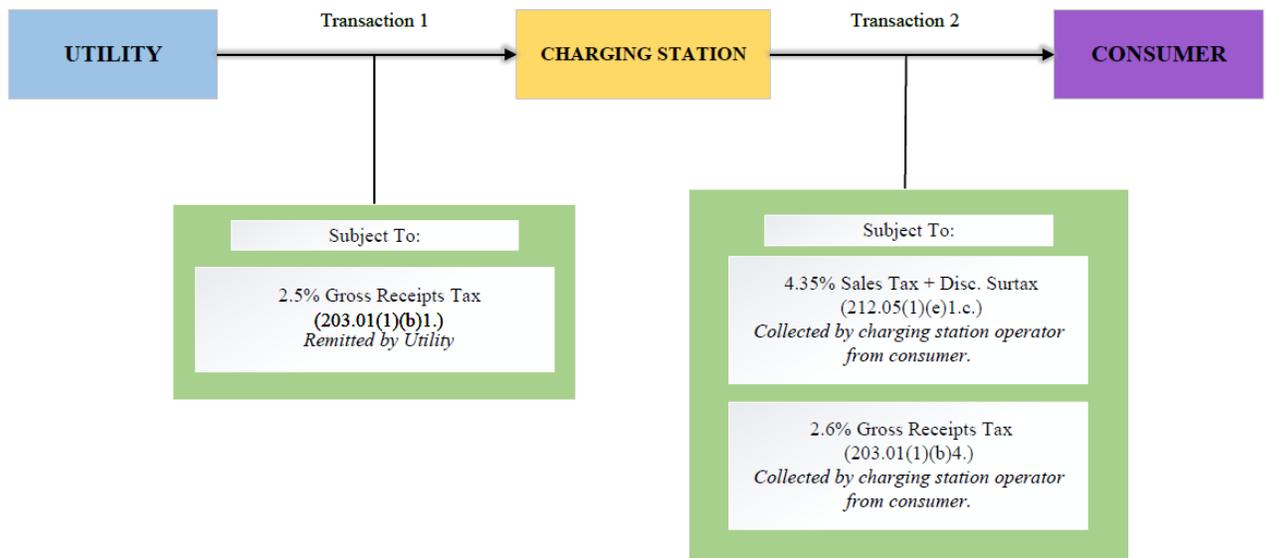
Notwithstanding any law to the contrary, and for purposes of chapter 212, the provision of electricity to a consumer at an electric vehicle charging station shall be considered the retail sale of electricity and is subject to the 2.6 percent gross receipts tax and the 4.35 percent sales tax, for

¹⁸¹ Section 212.02(14)(c), F.S.

¹⁸² Section 212.02(14)(c), F.S.

the combined rate of 6.95 percent. Purchases of electricity for the provision of electricity to a consumer at an electric vehicle charging station may be made for resale and include up to 105 percent of the amount of electricity that goes into the storage batteries of an electric vehicle. These tax levied on charges for electrical power or energy are in addition to any other tax or fee levied on the sale of electricity and shall be remitted as prescribed by law by the electric vehicle charging station.

When taken into account with the amendments made to the 2.5 percent gross receipts tax, the framework for the taxation of the provision of electric vehicle charging is as shown in the flowchart below, with exceptions specified in statute:



Additionally, the owner or operator of an electric vehicle charging station shall keep records of the quantity of electricity purchased, created, or generated, if applicable, and the quantity of electricity that went into the storage batteries of an electric vehicle in the same manner as other pertinent records and papers required to be held under s. 213.35, F.S.

The owner or operator of the electric vehicle charging station shall furnish a seller of electricity with an affidavit, on a form prescribed by the DOR, attesting to the quantity of electricity purchased for resale, pursuant to this section, and other information as required by the DOR. Any person that furnishes a false affidavit to a seller for the purpose of evading payment of any tax imposed under this chapter shall be subject to the penalties set forth in s. 212.085, F.S., and as otherwise provided by law.

Possession by a seller of an affidavit furnished pursuant to this subsection relieves the seller of the responsibility of collecting the tax on the sale of the electricity for which a resale is made, and the DOR shall look solely to the owner or operator for recovery of the tax if it determines that the owner or operator purchased electricity that was not resold.

This section applies only to persons engaged in the business of providing electric vehicle charging to consumers and does not include any individual, business, or governmental entity that provides electric vehicle charging for their own vehicles.

This section may not be construed to affect the regulation of electric vehicle charging or electric vehicle chargers for any purpose other than for the administration of the legal incidence of taxation.

The DOR may adopt rules necessary to administer the provisions of this section, including requiring such information as it may deem necessary to ensure that the taxes levied are properly collected and remitted.

Sections 43 and 44 provide reenactments of provisions as necessary to implement the changes for the provision of electric vehicle charging.

Section 61 provides the DOR with emergency rulemaking authority to implement these provisions.

The sections for the provision of electric vehicle charging take effect October 1, 2026.

Sections 25 and 61 –Sales Tax Exemption from Admissions to Certain Tennis Tournaments

Present Situation

Admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament are subject to sales tax.

Proposed Changes

Section 22 amends s. 212.04, F.S., to exempt from sales tax admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament. This exemption is for 3 years and expires on July 1, 2029.

Section 61 provides the DOR with emergency rulemaking authority to implement these provisions.

Sections 25 and 61 – Sales Tax Exemptions for State University Contractors and Liquified Petroleum Gas Tanks Exemption

Present Situation

State University Contractors

Sales of tangible personal property made to contractors of state universities are subject to sales and use tax.

State universities are identified in s. 1000.21(9), F.S., as, except as otherwise specifically provided, including the following institutions and any branch campuses, centers, or other affiliates of the institution:

- The University of Florida
- The Florida State University
- The Florida Agricultural and Mechanical University
- The University of South Florida
- The Florida Atlantic University
- The University of West Florida
- The University of Central Florida
- The University of North Florida
- The Florida International University
- The Florida Gulf Coast University
- New College of Florida
- The Florida Polytechnic University

Liquefied Petroleum Gas Tanks

Portable tanks for butane gas, propane gas, natural gas, and other types of liquefied petroleum gases are subject to sales and use tax.

The 2024 disaster preparedness sales tax holiday exempted a gas or diesel fuel tank with a sales price of \$50 or less. This included any gas or diesel fuel container, including LP gas and kerosene containers.¹⁸³ Effective August 1, 2025, Florida enacted a permanent sales tax exemption for portable gas or diesel fuel cans with a capacity of 5 gallons or less. However, tanks for butane gas, propane gas, natural gas, and other types of liquefied petroleum gases remain subject to sales and use tax.

Proposed Changes

Section 25 amends 212.08(6), F.S., to provide that, notwithstanding any other provision chapter 212, sales of tangible personal property made to contractors employed directly to or as agents of a state university as identified in s. 1000.21(9), F.S. are exempt from sales and use tax when such tangible personal property goes into or becomes part of public works owned by such state university.

This exemption inures to the state university at the time the tangible personal property goes into or becomes part of the public works, but only through a refund of previously paid taxes. Such refund must be made within 30 days of formal approval by the DOR of the taxpayer's application.

To receive a refund, a state university must file an application with the DOR on a quarterly basis. The application must include:

- The name and address of the state university claiming the refund.
- The identity of the state university public works project or projects.

¹⁸³ Florida Department of Revenue, *Tax Information Publication, 2024 Disaster Preparedness Sales Tax Holidays June 1, 2024 Through June 14, 2024 and August 24, 2024 Through September 6, 2024*, available at https://floridarevenue.com/taxes/tips/Documents/TIP_24A01-04.pdf (last visited Feb. 19, 2026).

- The name and address of each contractor that manufactured or purchased tangible personal property for installation in the public works project or projects for which a refund of tax paid is being requested.
- A copy of the state university's exemption certificate.
- The total amount of the requested refund of tax paid, including copies of each invoice evidencing the purchase of tangible personal property that was installed or became a part of the public works project or projects and the payment of tax on such tangible personal property.

The DOR shall adopt rules governing the manner and form of refund applications and may establish guidelines as to the requisites for an affirmative showing of qualification for exemption and refund of tax under this paragraph. The state university must file the refund application under oath affirming that it will comply with the specified requirements and the rules in order to qualify for the exemption and that it acknowledges its liability for any tax, penalty, or interest for tax refunded to the university which was later determined by the DOR to be owed on such transactions.

Section 25 also amends section 212.08(7), F.S., to exempt portable tanks for butane gas, propane gas, natural gas, or all other types of liquefied petroleum gases with a capacity of 20 pounds or less from Florida sales and use tax.

Section 61 provides the DOR with authorization to adopt emergency rules to implement these provisions.

Section 28, 61, and 62 – Rural Community Investment Program (RCIP) Tax Credit Value

Present Situation

In 2025, the Legislature established the Rural Community Investment Program (RCIP).¹⁸⁴ The RCIP provides certain taxpayers with a tax credit against corporate income tax or insurance premium tax¹⁸⁵ for investment in certain rural communities.¹⁸⁶ The tax credit cap amount is \$7 million in each state fiscal year and the Department of Commerce may not approve a cumulative amount of tax credits which may result in the claim of more than \$35 million in tax credits during the existence of the program.¹⁸⁷ The Department of Commerce may not accept any new applications for the RCIP after December 1, 2029.¹⁸⁸

The RCIP provides a tax credit equal to 25 percent of the investor's contribution.¹⁸⁹¹⁹⁰

¹⁸⁴ Section 288.062, F.S.

¹⁸⁵ Section 288.062(2)(l) and (6)(a), F.S.

¹⁸⁶ The term "rural community" means a rural community as defined in s. 288.0656 or a designated rural area of opportunity as defined in s. 288.0656(2). See s. 288.062(2)(j). F.S.

¹⁸⁷ Section 288.062(4)(c), F.S.

¹⁸⁸ Section 288.062(14), F.S.

¹⁸⁹ Section 288.062 (5), F.S.

¹⁹⁰ The term "investor contribution" means a cash investment in a rural fund. The cash investment must be used to purchase an equity interest in the rural fund or to purchase at par value or premium a debt instrument that has a maturity date at least 5 years after the credit certification date and a repayment schedule that is no greater than level principal amortization over 5 years. See s. 288.062(2)(g). F.S.

Proposed Changes

Section 28 amends s. 288.062, F.S., to increase the credit percentage from 25 percent of the investor's contribution to 50 percent.

Sections 61 and 62 provide the DOR and the Department of Commerce with emergency rulemaking authority to implement these provisions.

Sections 29, 33, 34, and 35 - Net-zero Policies by Governmental Entities

Present Situation

Greenhouse gases trap heat in the atmosphere and warm the surface of the earth. There is broad scientific consensus that if the accumulation of greenhouse gases in the atmosphere continues, the risk of more severe climate impacts will increase,¹⁹¹ including biodiversity loss, threats to human health, reduced food and water security, and more frequent and severe extreme weather events.¹⁹² Every additional degree of warming will intensify multiple and concurrent hazards.¹⁹³ Near-term actions that limit warming to close to 1.5 degrees Celsius would be expected to substantially reduce projected losses and damages to human systems and ecosystems related to climate change.¹⁹⁴

Mechanisms used to achieve emissions reductions include net-zero policies, carbon taxes, carbon emissions trading programs, and other green initiatives.

Net-Zero

“Net-zero” refers to a scenario where human-caused greenhouse gas emissions from sources such as fossil fuel combustion and deforestation are offset by carbon dioxide (CO₂) removal from the atmosphere.¹⁹⁵

When the amount of CO₂ emitted is equal to the amount of CO₂ removed from the atmosphere, there is no net increase of CO₂ in the atmosphere.¹⁹⁶ This balance is referred to as net-zero CO₂. However, CO₂ is not the only greenhouse gas that contributes to climate change. Human activities also emit other greenhouse gases, including methane, nitrous oxide, and hydrofluorocarbons, all of which contribute to warming. To compare the climate impacts of different greenhouse gases, their warming effects are commonly expressed relative to CO₂ using a metric known as “CO₂ equivalent.”¹⁹⁷

¹⁹¹ U.S. Congressional Research Service, *Climate Change: What Are Net-Zero Emissions?*, 1 (2024), available at <https://www.congress.gov/crs-product/IF12753>.

¹⁹² See Intergovernmental Panel on Climate Change (IPCC), *Synthesis Report of the IPCC Sixth Assessment Report (AR6): Summary for Policymakers*, 4-18 (2023), available at https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf. See generally Levent Kutlu, *Greenhouse Gas Emission Efficiencies of World Countries*, 1 (2020), available at <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7728308/pdf/ijerph-17-08771.pdf>.

¹⁹³ IPCC, *AR6 Summary for Policymakers* at 12.

¹⁹⁴ *Id.*

¹⁹⁵ U.S. Congressional Research Service, *Climate Change: What Are Net-Zero Emissions?* at 1.

¹⁹⁶ *Id.*

¹⁹⁷ *Id.*

Net-zero greenhouse gas emissions means the combined net emissions of all greenhouse gases, expressed in CO₂ equivalents, equal zero.¹⁹⁸ However, because there are currently no commercially available methods to remove non-CO₂ greenhouse gases from the atmosphere, achieving net-zero greenhouse gases emissions requires additional removal of CO₂ to counterbalance emissions of other greenhouse gases.¹⁹⁹ Net-zero greenhouse gas emissions is therefore achieved when total greenhouse gas emissions, measured in CO₂ equivalents, are offset by CO₂ removal from the atmosphere. Methods of CO₂ removal include natural absorption and storage in forests and other ecosystems as well as technological removal and storage.²⁰⁰

An increasing number of countries, cities, businesses, and institutions are pledging to achieve net-zero emissions.²⁰¹ These net-zero initiatives include objectives such as transitioning to electric fleet vehicles, encouraging utilization of electric bikes and scooters, increasing greenspaces, installing solar panels on public buildings or parking structures, and requiring energy efficient standards for buildings.²⁰²

Carbon Taxes and Carbon Emissions Trading Programs

Carbon pricing is a fee on each unit of CO₂ or other greenhouse gas emissions released into the atmosphere. There are two primary methods of pricing carbon: carbon taxes and carbon emissions programs like cap-and-trade programs.²⁰³ A carbon tax directly sets a price per unit of emissions, requiring companies to pay a fee based on the amount of greenhouse gases they emit.²⁰⁴ The price is usually expressed as a monetary unit per ton of CO₂ equivalent.²⁰⁵

In a cap-and-trade system, a government entity or other authority sets an emissions cap and issues a fixed quantity of emission allowances.²⁰⁶ Covered entities must hold sufficient allowances to account for the greenhouse emissions they produce. These entities can buy and sell allowances from each other based on their need. This supply and demand dynamic establishes a

¹⁹⁸ *Id.*

¹⁹⁹ *Id.*

²⁰⁰ *Id.*

²⁰¹ United Nations (UN), *Net Zero*, <https://www.un.org/en/climatechange/net-zero-coalition> (last visited Jan. 21, 2026).

²⁰² See, e.g., City of Miami, *Miami Forever Carbon Neutral: Executive Summary*, 5-6, available at <https://www.miami.gov/files/d4782104-3340-460c-a086-6a466c00a3a1/Miami-Forever-Carbon-Neutral-Executive-Summary.pdf>; City of Fort Lauderdale, *Net Zero Plan*, 8-21 (2025), available at <https://www.fortlauderdale.gov/government/departments-i-z/parks-recreation/sustainability/sustainability-climate-resilience/net-zero>; City of Miramar, *Race to Zero*, <https://www.miramarfl.gov/Departments/Building-Planning-Zoning/Sustainable-Living/Race-to-Zero> (last visited Jan. 22, 2026); City of Boca Raton, *Race to Zero*, <https://www.myboca.us/2192/Race-to-Zero> (last visited Jan. 22, 2026); Broward County, *Broward County Net-Zero Plan*, <https://www.broward.org/Climate/Pages/netzeroplan.aspx> (last visited Jan. 22, 2026).

²⁰³ Columbia University, School of International and Public Affairs, *What You Need to Know About a Federal Carbon Tax in the United States* (2019), <https://www.energypolicy.columbia.edu/publications/what-you-need-to-know-about-a-federal-carbon-tax-in-the-united-states/>.

²⁰⁴ See World Research Institute, *Carbon Tax vs. Cap-and-Trade: What's a Better Policy to Cut Emissions*, <https://www.wri.org/insights/carbon-tax-vs-cap-and-trade-whats-better-policy-cut-emissions> (last visited Jan. 22, 2026).

²⁰⁵ World Bank Group, *State and Trends of Carbon Pricing*, 15 (2024), available at <https://openknowledge.worldbank.org/entities/publication/b0d66765-299c-4fb8-921f-61f6bb979087>.

²⁰⁶ Michigan State University, *State Cap-and-Trade Programs*, 2 (2023), available at https://www.canr.msu.edu/fccp/Uploads/Files/2b.%20Cap%20and%20Trade_FINAL_v2.pdf. See generally EPA, *What is Emissions Trading?*, <https://www.epa.gov/emissions-trading/what-emissions-trading> (last visited Jan. 21, 2026).

market price for carbon.²⁰⁷ Cap-and-trade programs have been implemented in several U.S. jurisdictions.²⁰⁸ For example, the Regional Greenhouse Gas Initiative is a cooperative effort among several participating U.S. states to cap and reduce power sector CO₂ emissions.²⁰⁹ The initiative establishes a regional CO₂ emissions cap, implemented through individual state CO₂ budget trading programs, and requires regulated fossil-fuel-fired power plants to hold allowances equal to their emissions. Allowances are distributed through quarterly regional auctions, with proceeds used by states to support energy efficiency, renewable energy, and other consumer benefit programs.²¹⁰

There are 75 carbon tax and emissions trading schemes in operation worldwide, covering approximately 24 percent of global emissions.²¹¹

Green Initiatives and Sustainability Plans

Many cities and counties throughout Florida have adopted green initiatives and plans to advance environmental sustainability by reducing emissions, conserving resources, and minimizing waste and pollution. For example, Leon County has adopted an Integrated Sustainability Action Plan with the goal of reducing greenhouse gas emissions from county operations by 30 percent by 2030, primarily through energy efficiency in county buildings, fleet electrification and fuel efficiency, waste diversion, sustainable purchasing, and public education on energy efficiency.²¹² The City of Doral's sustainability plan sets a goal of reducing greenhouse gas emissions by 10-15 percent by 2050 through preserving greenspaces, enhancing public transportation, and creating energy efficiency standards for buildings, transportation, and infrastructure.²¹³ Alachua County's Climate Action Plan includes a goal to reduce greenhouse gas emissions by 80 percent by 2050, with objectives that include strengthening food system security, supporting local production, improving energy efficiency and renewable energy use, protecting public health and critical infrastructure, conserving natural and water resources, enhancing waste management, and promoting land-use and transportation strategies that increase climate resilience.²¹⁴

Regional plans such as the Southeast Florida Priority Climate Action Plan establish greenhouse gas emission reduction targets for participating counties and outline strategies to achieve those targets. These strategies include transitioning government fleets to electric alternatives, including work trucks, buses, and refuse vehicles; expanding publicly available electric vehicle charging

²⁰⁷ *Id.*

²⁰⁸ States with cap-and-trade programs include California, Oregon, Washington, and those states participating in the Regional Greenhouse Gas Initiative. Michigan State University, *State Cap-and-Trade Programs* at 7-13.

²⁰⁹ Regional Greenhouse Gas Initiative (RGGI), *Elements of RGGI*, <https://www.rggi.org/program-overview-and-design/elements> (last visited Jan. 21, 2026). Participating states include Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. *Id.*

²¹⁰ *Id.*

²¹¹ World Bank Group, *State and Trends of Carbon Pricing*, 9, 18, 22 (2024), available at <https://openknowledge.worldbank.org/entities/publication/b0d66765-299c-4fb8-921f-61f6bb979087>.

²¹² Leon County, *Integrated Sustainability Action Plan*, 5-24 (2019), available at <https://cms.leoncountyfl.gov/Portals/0/DeptFiles/Sustain/Docs/isap.pdf>.

²¹³ City of Doral, *Resolution No. 24-222, Ex. A* (2024), available at <https://www.cityofdoral.com/files/assets/city/v/1/city-hall/city-clerk/resolutions-archived/2024/res.-no.-24-222-adoption-citywide-integrated-sustainability-plan-cisp.pdf>.

²¹⁴ Alachua County, *Climate Action Plan*, 2-3, 15-189 (2025), available at https://www.alachuacounty.us/Depts/epd/Documents/ADACompliant/Alachua-County-Climate-Action-Plan_Final_29Oct25.pdf.

infrastructure; increasing public transit ridership; leveraging existing residential programs that reduce greenhouse gas emissions through building improvements; promoting commercial equipment and building upgrades; and diverting organic waste from landfills, among other measures.²¹⁵

These initiatives often include a mix of planning commitments, regulatory measures, voluntary programs, and investments in renewable energy, energy efficiency, and waste diversion.

Paris Agreement

Goals for global temperature stabilization have been set by the Paris Agreement. The Paris Agreement is an international treaty to strengthen the global response to the threat of climate change, including through the reduction of greenhouse gas emissions.²¹⁶ The Agreement was adopted by 195 parties at the United Nations Climate Change Conference in Paris on December 12, 2015, and entered into force on November 4, 2016.²¹⁷

The Paris Agreement's goal is to hold the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels.²¹⁸ The Agreement does not include mandatory targets or timetables for parties to reduce their emissions. Instead, parties to the Agreement submit nationally determined contributions (NDCs) every five years and pursue mitigation measures with the aim of achieving the objectives of such contributions.²¹⁹ In 2024, the U.S. announced an updated NDC establishing an economy-wide target of reducing its net greenhouse gas emissions by 61-66 percent below 2005 levels in 2035.²²⁰

The U.S. joined the Paris Agreement in September 2016²²¹ but subsequently withdrew twice.²²² Researchers using varying techniques and different assumptions have found differing potential

²¹⁵ Southeast Florida Regional Climate Change Compact, *Southeast Florida Priority Climate Action Plan*, 27-46 (2024), available at https://southeastfloridaclimatecompact.org/wp-content/uploads/2024/03/Southeast-Florida-Priority-Climate-Action-Plan_Final2024.pdf. The Southeast Florida Regional Climate Change Compact is a partnership between Broward, Miami-Dade, Monroe, and Palm Beach counties.

²¹⁶ Paris Agreement to the United Nations Framework Convention on Climate Change (UNFCCC), art. 2 (Dec. 12, 2015), T.I.A.S. No. 16-1104, available at https://unfccc.int/sites/default/files/english_paris_agreement.pdf. The Paris Agreement is part of the UNFCCC, a framework established in 1992 for coordinated global action to address climate change. UN Climate Change (UNCC), *The Convention*, <https://unfccc.int/resource/bigpicture/> (last visited Jan. 21, 2026).

²¹⁷ See UNCC, *The Paris Agreement*, <https://unfccc.int/process-and-meetings/the-paris-agreement> (last visited Jan. 21, 2026).

²¹⁸ UNFCCC Paris Agreement, art. 2.1.

²¹⁹ UNFCCC Paris Agreement, art. 4.2, 4.9.

²²⁰ UNFCCC, *The United States of America—Nationally Determined Contribution*, 2 (2024), available at <https://unfccc.int/sites/default/files/2024-12/United%20States%202035%20NDC.pdf>. The U.S. met and surpassed its 2020 target of net economy-wide emissions reductions in the range of 17 percent below 2005 levels, its initial Paris Agreement target set in 2015. *Id.* at 3.

²²¹ UN Treaty Collection, Chapter XXVII: Environment, 7.d, Paris Agreement (Sept. 3, 2016), available at <https://treaties.un.org/doc/Publication/CN/2016/CN.612.2016-Eng.pdf>.

²²² On November 4, 2019, the U.S. formally notified the UN Secretary General of its withdrawal. U.S. Department of State, *On the U.S. Withdrawal from the Paris Agreement*, <https://2017-2021.state.gov/on-the-u-s-withdrawal-from-the-paris-agreement/>. The withdrawal took effect on November 4, 2020, pursuant to article 28 of the Paris Agreement, which states that withdrawal takes effect one year after notification of withdrawal. See UNFCCC Paris Agreement, art. 28.2. The U.S. rejoined the Agreement on February 19, 2021. U.S. Department of State, *The United States Officially Rejoins the Paris Agreement*, <https://2021-2025.state.gov/the-united-states-officially-rejoins-the-paris-agreement/>. On January 20, 2025, President Trump issued an executive order directing the withdrawal from the Agreement. 90 Fed. Reg. 8455 (Jan. 30, 2025).

effects on the U.S. economy and global emissions as a result of withdrawal from the Paris Agreement.²²³

Florida's Energy Policy

The purpose of the state's energy policy is to ensure an adequate, reliable, and cost-effective supply of energy for the state in a manner that promotes the health and welfare of the public and economic growth.²²⁴ The Legislature intends that governance of the state's energy policy be efficiently directed toward achieving this purpose.²²⁵ The state's energy policy is guided by the following goals:

- Ensuring a cost-effective and affordable energy supply.
- Ensuring adequate supply and capacity.
- Ensuring a secure, resilient, and reliable energy supply, with an emphasis on a diverse supply of domestic energy resources.
- Protecting public safety.
- Protecting the state's natural resources, including its coastlines, tributaries, and waterways.
- Supporting economic growth.²²⁶

In furtherance of the goals, it is the policy of the state to:

- Promote the cost-effective development and use of a diverse supply of domestic energy resources in the state and discourage energy waste.
- Promote the cost-effective development and maintenance of energy infrastructure that is resilient to natural and manmade threats to the security and reliability of the state's energy supply.
- Reduce reliance on foreign energy resources.
- Include energy reliability and security considerations in all state, regional, and local planning.
- Utilize and manage effectively energy resources used within state agencies.
- Encourage local governments to include energy considerations in all planning and to support their work in promoting energy management programs.
- Include the full participation of citizens in the development and implementation of energy programs.
- Consider in its decisions the energy needs of each economic sector, including residential, industrial, commercial, agricultural, and governmental uses, and reduce those needs whenever possible.
- Promote energy education and the public dissemination of information on energy and its impacts in relation to the state's energy goals.
- Encourage the research, development, demonstration, and application of domestic energy resources, including the use of renewable energy resources.

²²³ U.S. Congressional Research Service, *U.S. Withdrawal from the Paris Agreement: Process and Potential Effects*, 1, 12-16 (2025) available at <https://www.congress.gov/crs-product/R48504>.

²²⁴ Section 377.701(1), F.S.

²²⁵ *Id.*

²²⁶ Section 377.601(2), F.S.

- Consider the impacts of energy-related activities on the state’s energy goals, including the whole-life-cycle impacts of any potential energy use choices, so that detrimental effects of these activities are understood and minimized.
- Develop and maintain energy emergency preparedness plans to minimize the effects of an energy shortage within this state.²²⁷

Proposed Changes

Section 29 creates s. 388.817, F.S., to provide a legislative finding that net zero policies, carbon taxes and assessments, and emissions trading programs,²²⁸ are detrimental to this state's energy security and economic interests and inconsistent with the energy policy and the environmental policy of this state.

The bill defines the term “net-zero policy” to mean any policy, program, or initiative designed to achieve a balance between total amount of greenhouse gas²²⁹ emitted into the atmosphere with an equal amount removed from the atmosphere.

The bill provides that a governmental entity²³⁰ may not enact or enforce, or require any person or legal entity to enact or enforce, a resolution, ordinance, rule, code, or policy to support a net zero policy, including as a condition of any contract or agreement between the governmental entity and a third party.

The bill also prohibits a governmental entity from implementing, administering, or enforcing any program or joining any organization that has a policy of:

- Establishing a statewide, regional, or geographic limit or cap on the amount of greenhouse gas emissions that results from the use, production, or consumption of any product or from any activity.
- Requiring or incentivizing a governmental entity or any person in this state to participate in an emissions trading program.

The bill prohibits a governmental entity from using, paying, or distributing public funds²³¹ in any manner that supports, implements, or advances a net zero policy by doing any of the following:

- Providing procurement or purchasing preferences for a product or vendor on the basis that the procurement or purchase of such product or from such vendor will advance or support a net zero policy.

²²⁷ *Id.*

²²⁸ The bill defines the term “emission trading program” to mean any program that establishes a greenhouse gas emission limit for a particular activity and provides for the allocation, auction, sale, or transfer of emissions allowances or credits among pollutant sources as a means of compliance with such limits.

²²⁹ The bill defines the term “greenhouse gas” to mean any of the following gases, or a combination thereof: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride, nitrogen trifluoride.

²³⁰ The bill defines the term “governmental entity” to have the same meaning as in s. 215.985, F.S.: a state, regional, county, municipal, special district, or other political subdivision whether executive, judicial, or legislative, including, but not limited to, a department, division, bureau, commission, authority, district, or agency thereof, or public school, Florida College System institution, state university, or associated board.

²³¹ The bill defines the term “public funds” to mean all moneys under the jurisdiction or control of a governmental entity.

- Providing procurement or purchasing preferences for any goods, including, but not limited to, vehicles, equipment, appliances, or other products, based solely on the types or sources of fuel used by, or used in the production of, such goods.
- Using public funds to pay dues, membership fees, subscription fees, or charitable contributions to any nongovernmental agency or other private organization, including any trade association or organization, that:
 - Adopts a net zero policy;
 - Requires adoption of, or any commitment to support, a net zero policy as a condition of membership or of receiving any benefit of membership; or
 - Uses such funds to advocate for a net zero policy.

The bill prohibits a governmental entity from imposing any charge, including a tax, fee, penalty, offset, or assessment, to advance a net zero policy, including, but not limited to :

- A charge based on the carbon content of a fuel.
- A charge based on the emission of greenhouse gases that results from the use, production, or consumption of any product, service, or activity.
- A charge assessed in connection with an emission trading program.

The bill requires each governmental entity to annually submit to the Department of Revenue an affidavit attesting to compliance with the bill’s provisions on prohibited charges.

The bill provides that its restrictions on actions of a governmental entity do not prevent:

- The board of a municipality or governmental entity which owns or operates and directly controls an electric or natural gas utility from passing rules, regulations, or policies governing the utility.
- The Public Service Commission from exercising its powers and duties to regulate public utilities in accordance with applicable law.
- A governmental entity from otherwise exercising its authority as provided by general law, including by implementing energy policies consistent with the energy policies set forth in s. 377.601, F.S. or implementing local and regional air and water pollution control programs consistent with the environmental policies set forth in s. 403.021 F.S.

Section 33 amends s. 125.01, F.S., regarding powers and duties of county governments. The bill provides that county comprehensive plans and zoning and business regulations must comply with this bill. The bill provides that counties may not levy and collect taxes that are prohibited by this bill.

Section 34 amends s. 166.021, F.S., regarding powers of municipalities. Currently, “municipal purpose” is defined as any activity or power which may be exercised by the state or its political subdivisions. The bill specifies that this term does not include the prohibitions listed in this bill.

Section 35 amends s. 166.201, F.S., regarding taxes and charges by municipalities. The bill prohibits a municipality from raising money through taxation and licenses or other charges or fees that are inconsistent with this bill.

Section 30 – Posting of Estimated Property Taxes on Listing Platforms

Present Situation

Property Tax Estimates

Calculating estimated property taxes in Florida requires some key pieces of information²³²: the just value of the parcel, the combined millage rates levied by a county’s school and non-school taxing authorities, the applicable exemptions and assessment limits.²³³ While there is no statutory requirement to publish a tax estimator, some property appraisers provide a tool or worksheet to estimate property taxes on their website.²³⁴

Online Real Property Listing Platforms

In 2025, approximately 255,000 homes were sold in the State of Florida²³⁵. Many of these homes were offered for sale on online real property listing platforms. Roughly 51 percent of the homebuyers in the United States found the home they purchased on the internet.²³⁶ Currently, there are many online platforms which list real estate for sale on their website. A number of these websites provide property tax calculators to estimate property taxes.²³⁷ Some, but not all, include a parcel’s property tax history and an estimate of property taxes.²³⁸

Disclosure of Ad Valorem Taxes to Prospective Purchasers

Section 689.261, F.S., requires a seller of residential property to provide a disclosure of ad valorem taxes to a prospective purchaser of residential property at or before execution of the contract for sale. The disclosure summary must be included in the contract for sale or attached to the contract for sale²³⁹. If the disclosure summary is not included in the contract for sale, the contract for sale must refer to and incorporate by reference the disclosure summary and include, in prominent language, a statement that the potential purchaser should not execute the contract until he or she has read the disclosure summary required by this section.²⁴⁰ The disclosure summary, whether separate or included in the contract, must be in a form substantially similar to the following²⁴¹:

²³² Florida Department of Revenue, *FAQ Details-how can I calculate my property taxes*, available at floridarevenue.com/faq/Pages/FAQDetails.aspx?FAQID=1663&IsDlg=1 (last visited Jan. 22, 2026).

²³³ Florida Department of Revenue, *Property Tax Information for First-Time Florida Homebuyers*, available at <https://floridarevenue.com/property/Documents/pt107.pdf> (last visited Jan. 22, 2026).

²³⁴ See, e.g., Broward County Property Appraiser, *New Homebuyer’s Tax Estimator*, available at [Marty Kiar - Broward County Property Appraiser](#) (last visited Jan. 22, 2026).

²³⁵ Florida Realtors, *Florida Residential Market Sales Activity-2025*, Jan. 16, 2026, available at <https://www.floridarealtors.org/sites/default/files/2026-01/Year-End-2025-Fla-MSA-summary.pdf> (last visited Jan. 21, 2026).

²³⁶ National Ass’n of Realtors, *Quick Real Estate Statistics*, Jul. 7, 2024, available at <https://www.nar.realtor/research-and-statistics/quick-real-estate-statistics> (last visited Jan. 21, 2026).

²³⁷ See e.g., Zillow Property Tax Calculator, <https://www.zillow.com/mortgage-calculator/property-tax-calculator/>

²³⁸ For example, Realtor.com’s listings include the listed information, and its mortgage calculator includes estimated property taxes based on the home’s value. <https://www.zillowhomeloans.com/calculators/mortgage-calculator/> (last visited Jan. 22, 2026).

²³⁹ See s. 689.261 (1), F.S.

²⁴⁰ See s. 689.261 (2), F.S.

²⁴¹ See s. 689.261 (1), F.S.

PROPERTY TAX
DISCLOSURE SUMMARY

BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

Proposed Changes

Section 30 amends s. 689.261, F.S., to provide new requirements related to online listing platforms' disclosure of estimated property taxes on residential properties. The bill requires that any property that can be viewed on a listing platform must include estimated property taxes for the property. Listing platforms as defined by the bill exclude social media platforms as defined in s. 501.2041, F.S. The bill prohibits the use of current owner's property tax information to calculate estimated property taxes. Instead, the bill requires listing platforms to display estimated property taxes, which must be calculated using one of the two prescribed methods below:

- Estimated property taxes that would be due if the purchaser was taxed based on the listing price of the property and current millage rates applying data provided by the property appraiser to the DOR and a formula published by the DOR.
- Estimated property taxes that would be due if the purchaser was taxed based on the listing price of the property and countywide aggregate average millage rate applying data published by the DOR. The listing platform must include a link to the property appraiser's tax estimator in the county where the property is located or a link to the county property appraiser's website's homepage.

Under either of the prescribed methods, the current owner's and any previous year's property tax information may be displayed only as historical information. Both methods also require the listing platform to include a disclaimer on the same website or application that the millage rates of taxing authorities may vary within a county and that the estimated taxes do not include all non-ad valorem assessments, exemption discounts and other tax benefits, such as assessment limitations.

Alternatively, if property taxes are not estimated using a tax estimator or a buyer payment calculator provided by the online listing platform that uses one of the two prescribed methods in the bill, the listing platform may not display the current owner's property taxes or the previous year's property taxes. Instead, the listing platform must include either a link to the property appraiser's tax estimator in the county where the property is located, or to the county property appraiser's website homepage.

The bill requires the DOR to develop a formula to be used by a listing platform to calculate the estimated property taxes and to develop countywide aggregate average millage rates. The formula and countywide aggregate millage rate developed by the DOR must be published on the

DOR's website by December 15, 2026, and annually thereafter. The bill provides that the DOR maintain a table of links to property appraiser's websites and tax estimators.

The bill requires each property appraiser to provide any information needed to develop the formula including, the county name, tax district code, school district millage rate, and summary millage rate for all other applicable taxing authorities. County property appraisers must also provide the department with any information needed to develop the countywide aggregate average millage rate.

The bill states that there is no liability on the part of, and no cause of action may arise against any person for an inaccurate estimation of property taxes for a property listed on a listing platform. The bill prohibits current owner's property taxes from being included in any printed listing materials concerning a property on a listing platform.

The DOR may adopt rules to implement the provisions of this bill.

These provisions takes effect February 1, 2027.

Sections 31 and 32 – Voted Millage for Charter Schools

Present Situation

A school district is authorized to levy, subject to approval by local referendum or in a general election, additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under the district school tax law, does not exceed the 10-mill limit established in the state constitution. Any such levy must be for a maximum of 4 years and must be counted as part of the 10-mill limit established in the state constitution. For the purpose of distributing taxes collected pursuant to this subsection, the term "school operational purposes" includes charter schools sponsored by a school district.²⁴² Charter schools are tuition free public schools created through an agreement or "charter" that provides flexibility relative to regulations created for traditional public schools.²⁴³

Funds levied under this subsection must be shared with charter schools sponsored by a school district based on each charter school's proportionate share of the district's total unweighted full-time equivalent student enrollment.²⁴⁴ In addition to a school district sponsoring a charter school, a charter school may also be sponsored by any of the following: a state university approved to sponsor certain lab schools, a state university approved by DOE, or a Florida College System institution approved by the DOE.²⁴⁵

Proposed Changes

Section 31 amends s. 1011.71 (9), F.S., to revise the distribution of school taxes collected from a voter approved property tax levy to remove a reference which excludes certain charter schools.

²⁴² Section 1011.71(9), F.S.

²⁴³ Florida Department of Education, *Frequently Asked Questions(Charter Schools)*, available at <https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-faqs.stml> (last visited Feb. 21, 2026).

²⁴⁴ *Id.*

²⁴⁵ Section 1002.33 (5)(a), F.S.

Consequently, all charter schools will become eligible for the distribution of funds, regardless of a charter school’s sponsoring entity.

Section 32 provides that the amendments made to s. 1011.71(9), F.S., amending the distribution of taxes collected from certain voted discretionary operating millages levied by school districts, apply to such levies authorized by a vote of the electors on or after July 1, 2026.

Section 60 – Hunting, Fishing, and Camping Sales Tax Holiday – Approximately 3.5 Months – September 7, 2026, through December 31, 2026

Present Situation

The sale of ammunition, firearms, bows, crossbows, and associated accessories is subject to sales and use tax. The sale of fishing and camping supplies is also subject to sales and use tax.

Florida enacted a hunting, fishing, and camping sales tax holiday for approximately 3.5 months from September 8, 2025, through December 31, 2025, for the following items.

Item	Details
Firearms, Ammunition, and Accessories	<ul style="list-style-type: none"> • Ammunition, which means an object consisting of all of the following: a fixed metallic or nonmetallic hull or casing containing a primer, one or more projectiles, one or more bullets, or shot, and gunpowder • A firearm, which means a weapon capable of firing a missile and includes a pistol, rifle, or shotgun using an explosive charge as a propellant • Charging handles, cleaning kits, holsters, pistol grips, sights or optics, and stocks. • No price caps
Bows, Crossbows, and Accessories	<ul style="list-style-type: none"> • A bow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, for the purpose of discharging arrows; which propels arrows only by the energy stored by the drawing of the device; and which is handheld, hand-drawn, and hand-released • A crossbow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, affixed to a stock for the purpose of discharging quarrels, bolts, or arrows; which propels quarrels, bolts, or arrows only by the energy stored by the drawing of the device; and which uses a non-handheld locking mechanism to maintain the device in a drawn or ready-to-discharge condition • Arrows, bolts, quarrels, quivers, releases, sights or optics, and wristguards • No price caps
Camping Supplies	<ul style="list-style-type: none"> • Tents with a sales price of \$200 or less • Sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less • Camping lanterns and flashlights with a sales price of \$30 or less

Item	Details
Fishing Supplies	<ul style="list-style-type: none"> • Rods and reels with a sales price of \$75 or less if sold individually, or \$150 or less if sold as a set • Tackle boxes or bags with a sales price of \$30 or less • Bait or fishing tackle with a sales price of \$5 or less if sold individually, or \$10 or less if multiple items are sold together. • Fishing supplies does not include supplies used for commercial fishing purposes

Proposed Changes

Section 60 provides a Hunting, fishing, and camping sales tax holiday for approximately 3.5 months from September 7, 2026, through December 31, 2026. During the holiday, the following items are exempt from the state sales tax and county discretionary sales surtaxes.

- Ammunition, which means an object consisting of all of the following: a fixed metallic or nonmetallic hull or casing containing a primer, one or more projectiles, one or more bullets, or shot, and gunpowder.
- A firearm, which means a weapon capable of firing a missile and includes a pistol, rifle, or shotgun using an explosive charge as a propellant.
- The following firearm accessories: charging handles, cleaning kits, holsters, pistol grips, sights or optics, or stocks.
- A bow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, for the purpose of discharging arrows; which propels arrows only by the energy stored by the drawing of the device; and which is hand-held, hand-drawn, and hand-released.
- A crossbow, which means a device consisting of flexible material having a string connecting its two ends, either indirectly by cables or pulleys or directly, affixed to a stock for the purpose of discharging quarrels, bolts, or arrows; which propels quarrels, bolts, or arrows only by the energy stored by the drawing of the device; and which uses a non-handheld locking mechanism to maintain the device in a drawn or ready-to-discharge condition.
- The following accessories used for bows or crossbows: arrows, bolts, quarrels, quivers, releases, sights or optics, or wristguards.
- Camping supplies, which means tents with a sales price of \$200 or less, sleeping bags, portable hammocks, camping stoves, and collapsible camping chairs with a sales price of \$50 or less, and camping lanterns and flashlights with a sales price of \$30 or less.
- Fishing supplies, which means rods and reels with a sales price of \$75 or less, if sold individually, or \$150 or less, if sold as a set; tackle boxes or bags with a sales price of \$30 or less; and bait or fishing tackle with a sales price of \$10 or less if sold individually, or \$20 or less if multiple items are sold together. Fishing supplies does not include supplies used for commercial fishing purposes.

The DOR is authorized to adopt emergency rules to implement this sales tax holiday.

Section 63 – Effective Date

The bill takes effect July 1, 2026, except as otherwise provided.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18 of the Florida Constitution governs the passage of laws that require counties and municipalities to spend funds, limit the ability of counties and municipalities to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

Article VII, s. 18(b) of the Florida Constitution provides that except upon approval of each house of the Legislature by two-thirds vote of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. However, the mandates requirements do not apply to laws having an insignificant impact,²⁴⁶ which is \$2.4 million or less for Fiscal Year 2026-2027.²⁴⁷

The bill may reduce the authority for counties and municipalities to raise revenue through property tax, special assessments, and local option surtax by an indeterminate amount. Also, the bill distributes a portion of the state sales tax collections to certain counties. If the bill reduces the authority to raise revenue in the aggregate in an amount that exceeds the threshold for an insignificant impact, the mandates provision of section 18 of Article VII of the Florida Constitution may apply.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s. 19 of the Florida Constitution requires legislation pass each chamber by a 2/3 vote and be contained in a separate bill with no other subject if the legislation imposes, authorizes an imposition, increases, or authorizes an increase in a state tax or fee or if it decreases or eliminates a state tax or fee exemption or credit.

The bill does not affect the imposition or increasing of a state tax or fee nor decreases or eliminates a state tax or fee exemption or credit. Thus, the constitutional requirements may not apply.

²⁴⁶ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. See FLA. SENATE COMM. ON COMTY. AFFAIRS, *Interim Report 2012-115: Insignificant Impact*, (Sept. 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited Feb. 21, 2026).

²⁴⁷ Based on the Demographic Estimating Conference's estimated population adopted on June 30, 2025, available at <https://edr.state.fl.us/Content/conferences/population/archives/250630demographic.pdf> (last visited Feb. 21, 2026).

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill is estimated by staff to reduce revenues in total by \$80.1 million, which is the sum of \$8.1 million (recurring) and \$72.0 million (pure nonrecurring in Fiscal Year 2026-2027 and reductions resulting from nonrecurring impacts in other years). Total tax reductions are represented by the sum of the recurring impacts (reflecting the annual value of permanent tax cuts when fully implemented) and the pure nonrecurring impacts (reflecting temporary tax reductions).

The bill reduces revenues in Fiscal Year 2026-2027 by \$55.7 million (\$8.1 million recurring); General Revenue Fund receipts by \$89.0 million (\$50.3 million recurring); state trust fund receipts are reduced by an indeterminate amount; and local government revenue is increased by \$33.3 million (\$42.2 million recurring), as displayed in the table below. The Revenue Estimating Conference has not yet reviewed provisions relating to electric vehicle charging, VAB appeals, children's councils, inheritance of homestead property, missing middle opt-out, interest on refunds, and the clarification of a period to contest an assessment, therefore these estimates may change.

FY 2026-27 TAXATION	CS/SB 7046							
	General Revenue		State Trust Funds		Local/Other		Total	
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
<u>Sales and Use Tax</u>								
Florida hunting, fishing, and camping sales tax holiday - Sept. 7 - Dec. 31, 2026	(30.3)	-	(*)	-	(8.6)	-	(38.9)	-
Exempt portable tanks for LP gas - 20 lbs or less	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
State university public works contracts	**	-	**	-	**	-	**	-
Exempt admission to certain tennis tournaments - 3-yrs	(8.4)	-	(*)	-	(2.4)	-	(10.8)	-
Provision of electric vehicle charging	-	-	-	-	-	-	-	-
<u>Sales Tax/CST</u>								
Fiscally constrained counties distribution change	(50.3)	(50.3)	-	-	50.3	50.3	-	-
<u>Ad Valorem</u>								
VAB appeals - timely filed property returns	-	-	-	-	-	-	-	-
Homestead exemption - surviving spouse transfer	-	-	-	-	(*)	(0.3)	(*)	(0.3)
Charter schools - voted millage distribution	-	-	-	-	-	-	-	-
Children's councils - tax increment financing exemption	-	-	-	-	-	-	-	-
Maximum millage vote threshold	-	-	-	-	-	-	-	-
Listing platforms	-	-	-	-	-	-	-	-
Inheritance of homestead property	-	-	-	-	-	-	-	-
Deployed servicemembers - operations	-	-	-	-	(6.0)	(7.8)	(6.0)	(7.8)
Missing Middle opt-out report lookback period extension and exemption for property with building permit	-	-	-	-	-	-	-	-
<u>Multiple Taxes</u>								
RCIP credit value increase 25%-50%	-	-	-	-	-	-	-	-
<u>Local Taxes & Assessments</u>								
Limit non-ad valorem assessments at recreational vehicle parks	-	-	-	-	(**)	(**)	(**)	(**)
<u>Other</u>								
Net-zero policies of governmental entities	-	-	-	-	-	-	-	-
Fiscally constrained counties redefined and prescribed uses	-	-	-	-	-	-	-	-
Interest on refunds	-	-	-	-	-	-	-	-
Clarify period to contest an assessment	-	-	-	-	-	-	-	-
2026-27	(89.0)	(50.3)	-	-	33.3	42.2	(55.7)	(8.1)

<u>Non-recurring Impacts After FY 2026-27</u>	General Revenue		State Trust Funds		Local/Other		Total	
	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.	1st Yr.	Recur.
Exempt admission to certain tennis tournaments - 3-yrs	(17.4)	-	(*)	-	(4.9)	-	(22.3)	-
Total	(17.4)	-	-	-	(4.9)	-	(22.3)	-

Bill Total	(106.4)	(50.3)	-	-	28.4	42.2	(78.0)	(8.1)
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* or (*); Impact is positive or negative and less than \$100,000

** or (**); Impact is positive or negative and indeterminate

Pure Nonrecurring	(72.0)
Recurring + Pure Nonrecurring	(80.1)

B. Private Sector Impact:

Taxpayers, both businesses and individuals, will experience tax savings.

C. Government Sector Impact:

Various departments and agencies will need to implement provisions of this bill. This may require the expenditure of funds.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 72.011, 125.0168, 163.387, 166.223, 189.052, 193.155, 194.032, 196.011, 196.031, 196.081, 196.173, 196.1978, 200.065, 203.01, 203.012, 212.04, 212.05, 212.08, 212.20, 218.67, 288.062, 689.261, 1011.71, 125.01, 166.021, 166.201, 212.205, 288.11621, 288.11631, 443.191, 571.26, and 571.265.

This bill reenacts the following sections of the Florida Statutes: 259.042, 203.0011, 212.05(1)(e)1.c; 212.05011, F., 212.05(1)(e)1.c; 125.0104, 193.624, 196.182, 218.12, 218.125, 218.135, 218.136, 252.35, 288.0655, 288.102, 339.2816, 403.064, 403.0741, 589.08, and 1011.62.

This bill creates the following sections of the Florida Statutes: 212.0516 and 377.817.

This bill creates undesignated sections of the Florida law.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Appropriations on March 2, 2026:

The committee substitute retains the following provisions from SB 7046:

- Changes to the distribution and definition for fiscally constrained counties.
- The prohibition on counties, municipalities, and special districts from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.
- Changes to the distribution of school taxes collected from a voter approved property tax levy by removing a reference which excludes certain charter schools.
- For sales tax, the permanent exemption for certain liquified petroleum gas tanks and the holiday for certain hunting, fishing, and camping items.

- Changes to tax administration that require taxing authorities that have not levied any millage rate in the prior year to adopt a rate by specified vote thresholds.
- For the Live Local exemption opt-out, the requirement that a taxing authority make a finding that Shimberg's annual reports for each of the 3 previous years, rather than 1 year, identify a surplus of affordable housing.

The committee substitute modifies the following provisions of SB 7046:

- For the Live Local exemption opt-out, the amendment provides that the exemption may be granted to a project that was issued a building permit (rather than final site plan approval) on or after July 1, 2026, for the development of residential units in a multifamily project within 4 years before a taxing authority opted out. The amendment also provides that an ordinance adopted before July 1, 2026, is valid until its expiration. The amendment retains the provision that allows the exemption for each subsequent consecutive year that the same owner or successive owners apply for and are granted the exemption.
- Revises net zero policies and prohibitions for local governments.

The committee substitute adds the following:

- Relating to the property tax homestead exemption, provides that the transfer of homestead property to a lineal descendant is not a change in ownership under certain conditions.
- Provides a tax framework for electricity that is sold by electrical vehicle charging stations. The framework specifies which sales tax and gross receipts rates apply to transactions between a utility and the charging station and also to transactions between the charging station and the consumer. Also provides processes and requirements for collecting and remitting such taxes.
- Requires real estate listing platforms to post estimated property taxes.
- Provides that the amount of a property tax homestead exemption that a surviving spouse may transfer to a new residence may increase up to 120 percent of the exemption.
- Adds additional named military operations to the current list in statute for the property tax exemption for certain deployed servicemembers.
- Provides an exemption from the Redevelopment Trust Fund for special districts that levy ad valorem taxes on real property predominantly to fund children's services.
- Requires value adjustment boards to meet to hear appeals relating to the timely filing of tax returns for tangible personal property.
- Exempts from sales tax admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament for 3 years.
- Creates a refund mechanism for state universities for tangible personal property purchases made by state university contractors when such property goes into or becomes part of public works owned by the state university. Increases the value of the Rural Community Investment Program credit from 25% of the investor's contribution to 50%.

- Provides that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of the refund only if the interest claim is asserted concurrently with the action.
- Specifies that the 60-day period to contest an assessment or a denial that becomes final may not be waived or tolled.
- Amends emergency rulemaking authority for the DOR and adds rulemaking authority for the Department of Commerce.

B. Amendments:

None.