

Property Tax Reform

HJR 1F Summary

HJR 1F directs a constitutional amendment to be placed on November 3, 2026, general election ballot, making three sets of substantive changes to Article VII (Finance and Taxation) of the Florida Constitution.

The three substantive components of the proposed constitutional amendment are as follows:

1. Creates a new homestead exemption of \$150,000 (2027) and \$250,000 (2028) applicable to all non-school levies and creates a five-year waiting period before new Florida residents receive the increased homestead exemption.
 - Directs the Legislature to prescribe by general law a “uniform procedure” under which counties, municipalities, and school districts may increase the exempt valuation up to all remaining assessed valuation.
 - Layered a CPI adjustment above the \$250,000 homestead exemption
2. Constitutionally restricts the use of county and municipal ad valorem revenue to an enumerated list of **seven** categories
3. Reduces the assessment limitation on non-homestead real property from 10% to 5%, applicable to all non-school levies

No part of HJR 1F becomes law unless it is approved by 60% of the voters at the November 3 statewide general election.

No Trust Fund, No Guarantees for Offsets or Backfill

The originally publicized version of the proposal included a state-administered trust fund to issue grants back to counties to cover services property taxes pay for today. The House and Senate removed that language during the special session, with sponsors acknowledging the trust fund had no dedicated funding source. The inclusion of a state-administered backfill is no longer part of what voters will see on the ballot.

CPI Escalator

- The homestead exemptions grow automatically each year with inflation (positive CPI only).
 - \$50,000 new-resident exemption begins escalating January 1, 2028
 - \$250,000 homestead exemption begins escalating January 1, 2029

Constitutional Language on Ad Valorem Use

- New constitutional language designates **seven** categories of allowable uses of ad valorem property tax revenues for cities and counties. House and Senate amended

in section (g) to provide a catch-all category for county operations and administration. The list of restricted, allowable uses is as follows:

- a. Provide for public safety, including law enforcement, fire service, and emergency medical service;
- b. Provide funding for education and public schools;
- c. Finance or refinance infrastructure, including expenditures on road and bridge construction and maintenance and stormwater control;
- d. Finance or refinance natural resource projects, including flood control measures;
- e. Issue local bonds for uses consistent with this paragraph and to make debt service payments for existing obligations;
- f. Meet obligations for retirement benefits of local government employees.
- g. Fund the operations and administration of county officers and commissioners established under Article VIII and municipalities, and the expenditures approved by such county officers or county or municipal governing bodies, except those expenditures prohibited by general law.

SB 4F Property Tax Administration

Section 2 of the bill amends the method used to determine the maximum millage rate that may be levied by a simple majority vote of a county, municipality, special district (dependent or independent), or MSTU, by making the rolled-back rate the maximum millage rate for the purpose of complying with notice of tax increase requirements. (The Legislature removed the personal income growth factor and an exclusion that applied only to Miami-Dade County). Otherwise, the vote requirements remain the same 2/3rds vote required up to 110% of the rolled-back rate and unanimous vote or referendum required over 110% of the rolled-back rate.

The bill reenacts several fiscally constrained backfill provisions from other, already passed property tax exemptions.

The bill allows the ballot summary to exceed the statutorily established 75-word limit for purposes of a joint resolution that proposes an amendment or revision to Art. VII, ss. 4, 6, and 9 of the State Constitution that is to be submitted to the electors at the general election to be held on November 3, 2026 (e.g., HJR 1F).