

Revenue Estimating Conference
Ad Valorem Assessments
December 9, 2020
Executive Summary

Estimates of the statewide property tax roll are primarily used in the appropriations process to calculate the expected Required Local Effort (RLE) millage rate. This is the rate local school districts must levy in order to participate in the Florida Education Finance Program. The 2020 certified school taxable value came in at \$2,301.97 billion. The new projection for 2021 is \$2,361.64 billion. The new estimate is \$59.67 billion or 2.59 percent higher than the 2020 actual number, and \$23.44 billion higher than the previous estimate for 2021 of \$2,338.20 billion adopted in August 2020. At 96 percent, the value of one mil is projected to be \$2,267.17 million.

Conditions in Florida’s housing market are still important to the overall forecast, but they are not the singular driving factors they once were. The persistent economic effects from the Coronavirus outbreak are expected to have their greatest impact on the non-residential sector, as commercial property becomes vacant, idled or lower income-producing. As a result, an outright decline in total non-residential taxable value is expected when the 2021 roll is approved and then again in 2022 before it resumes year-over-year positive growth. Annual growth rates remain low in this sector through the rest of the forecast period. This expectation is in line with the forecast adopted by the Florida Economic Estimating Conference.

In contrast, expectations for the two residential sectors (homestead and non-homestead residential) provide a steadying influence over the forecast horizon and keep the 2021 roll positive relative to the prior year. Recent residential data from the Federal Housing Finance Agency price index shows value growth in virtually all parts of the state. The new forecast is premised on the belief this value growth will continue in these residential sectors.

County (non-school) taxable value is lower than school taxable value due to the greater number of exemptions available to property owners. In recent years, the Revenue Estimating Conference has been forecasting county taxable value separately from school taxable value. County taxable value on January 1, 2020 came in at \$2,130.39 billion. The new projection for 2021 is \$2,198.35 billion. On an annual basis, this represents an increase of \$67.96 billion or a 3.19 percent increase from the 2020 actual. The revised estimate is \$21.72 billion higher than the previous estimate of \$2,176.63 billion for 2021 adopted in August 2020.

July 1, 2021 Certified School Taxable Value

	Actual July 1, 2020 Certified School Taxable Value	Aug 2020 Estimate of July 1, 2021 Certified School Taxable Value	Dec 2020 Estimate of July 1, 2021 Certified School Taxable Value	Change in Estimates (Dec. 20 vs Aug. 20)	Change from 2020 Actual	Percentage Change from 2020 Actual
<i>(billions of dollars)</i>						
School Taxable Value	2,301.97	2,338.20	2,361.64	23.44	59.67	2.59%
Real Property	2,164.33	2,199.13	2,219.47	20.34	55.14	2.55%
Personal Property	135.87	137.30	140.37	3.07	4.50	3.31%
Centrally Assessed Property	1.77	1.77	1.80	0.03	0.03	1.67%
Value of one mill at 96 percent	2.21	2.24	2.27	0.02	0.06	2.59%

**Total school taxable value includes Value Adjustment Board changes and other tax roll adjustments. Components may not add up to the total.*

January 1, 2021 County Taxable Value

	Actual January 1, 2020 County Taxable Value	Aug 2020 Estimate of January 1, 2021 County Taxable Value	Dec 2020 Estimate of January 1, 2021 County Taxable Value	Change in Estimates (Dec. 20 vs Aug. 20)	Change from 2020 Actual	Percentage Change from 2020 Actual
<i>(billions of dollars)</i>						
County Taxable Value	2,130.39	2,176.63	2,198.35	21.72	67.96	3.19%
Real Property	1,992.82	2,037.56	2,056.18	18.62	63.36	3.18%
Personal Property	135.87	137.30	140.37	3.07	4.50	3.31%
Centrally Assessed Property	1.77	1.77	1.80	0.03	0.03	1.67%

**Total county taxable value includes Value Adjustment Board changes and other tax roll adjustments. Components may not add up to the total.*

CERTIFIED SCHOOL TAXABLE VALUE GROWTH RATES		
Year	August 2020	December 2020
2020	6.10%	6.10%
2021	1.57%	2.59%
2022	3.24%	3.43%
2023	4.13%	4.75%
2024	4.42%	4.85%
2025	4.69%	4.82%
2026	4.72%	4.80%