

REVENUE ESTIMATING CONFERENCE

Revenue Source: Documentary Stamp Tax & Intangibles Tax

Issue: Certain Small Business Notes

Bill Number(s): [Proposed Language](#)

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s):

Month/Year Impact Begins: July 1, 2024

Date(s) Conference Reviewed: March 31, 2023

Section 1: Narrative

a. Current Law:

Notes, bonds, and other obligations to pay money are levied a \$0.35 per \$100 Documentary Stamp Tax and a \$0.02 per \$100 Intangibles tax. The Documentary stamp tax is to be remitted to the department by either party, while the Intangibles is levied upon the writer of the note, bond, or other written monetary obligation. In addition, the total documentary stamp tax on notes are capped at \$2,450 while mortgage notes are uncapped.

b. Proposed Change:

The proposed language exempts the documentary stamp tax and intangibles tax due on loans the Federal Government provides under Subchapter V of 15 U.S.C. Chapter 14B, also known as “504” loans offered by the Small Business Administration (SBA), provided that the obligor and mortgagor remains the same without additions or alterations, and the prior note is appropriately referenced in SBA note or mortgage.

Section 2: Description of Data and Sources

[SBA 504 FOIA Report FY2010 to Present](#) – As of Dec. 31, 2022

General Revenue – Sales and Use Tax – Business Investment – March 13, 2023

Discussion with Informed Member of the Industry

Section 3: Methodology (Include Assumptions and Attach Details)

The Small business Administration tracks loans provided under the 504 Loan program including the origin location of the firm requesting the data, the original amount on the loan, the amount provided through the SBA program, as well as a great amount of additional data tied to each loan. Using their provided data, the number of entities that have utilized the 504 loan program in the State of Florida may be determined. There is not expected to be an impact on intangibles tax as the SBA, the entity assumed to be responsible to pay the tax, is exempt from intangibles tax.

To determine the impact, the Third Party Dollars variable, is used to find the original Documentary Stamp Tax paid. The additional amount of loaned dollars provided by the SBA’s 504 program plus the initial Third Party Dollars is used to find the total amount of dollars of the new loan’s principal balance. The the Documentary Stamp Tax is applied to find the new total. The difference between the documentary stamp taxes paid on the new loan total and the Documentary Stamp taxes paid on the original is the impact amount.

The high, middle, and low impacts use the average number of 504 loans provided over the last 13 State Fiscal years and factor the value down. The high assumes 100% of average number amount of loans from the 504 loan are taxed today. The Middle assumes 2.5% of the loans would qualify for the tax today. The low assumes 1% of the loans granted are taxed. The middle and low rates are based on interviews with subject matter experts issuing the SBA loans. The high is provided to show the absolute limit of the impact as though 100% of the loans are handled via this specific method.

To grow the impact, the business investment growth rates adopted by the REC General Revenue conference on March 13, 2023. The growth rate is modified by measures affecting revenue being added back into the category to get pre-modified growth rates. The growth rates are applied to the high, middle and low resulting in the impact.

First year cash is equal to the recurring under the assumption that taxpayers may delay signing to meet the enactment date.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	\$(2.03 M)	\$(2.03 M)	\$(0.05 M)	\$(0.05 M)	\$(0.02 M)	\$(0.02 M)
2024-25	\$(2.04 M)	\$(2.04 M)	\$(0.05 M)	\$(0.05 M)	\$(0.02 M)	\$(0.02 M)
2025-26	\$(2.13 M)	\$(2.13 M)	\$(0.05 M)	\$(0.05 M)	\$(0.02 M)	\$(0.02 M)
2026-27	\$(2.19 M)	\$(2.19 M)	\$(0.05 M)	\$(0.05 M)	\$(0.02 M)	\$(0.02 M)
2027-28	\$(2.25 M)	\$(2.25 M)	\$(0.06 M)	\$(0.06 M)	\$(0.02 M)	\$(0.02 M)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Documentary Stamp Tax & Intangibles Tax

Issue: Certain Small Business Notes

Bill Number(s): [Proposed Language](#)

Revenue Distribution: Doc Stamp Tax

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted a negative insignificant impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2024-25	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2025-26	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2026-27	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2027-28	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)

	A	B	C	D	E	F	G
1							
2							
3	Row Labels	Sum of Count	Sum of Doc_Orig_NoCap	Sum of Doc_on Total_NoCap	Sum of Impact_noCap		
4	2009-2010	464	1,127,326.16	1,951,404.66	(824,078.50)		
5	2010-2011	559	1,310,557.23	2,300,024.73	(989,467.50)		
6	2011-2012	658	1,802,430.18	3,208,145.68	(1,405,715.50)		
7	2012-2013	629	1,698,697.50	3,003,305.00	(1,304,607.50)		
8	2013-2014	480	1,495,231.86	2,554,174.36	(1,058,942.50)		
9	2014-2015	462	1,522,262.07	2,627,712.57	(1,105,450.50)		
10	2015-2016	429	1,402,461.00	2,451,817.00	(1,049,356.00)		
11	2016-2017	492	1,882,500.50	3,252,435.50	(1,369,935.00)		
12	2017-2018	408	1,737,192.74	2,996,594.24	(1,259,401.50)		
13	2018-2019	468	1,879,649.53	3,230,086.03	(1,350,436.50)		
14	2019-2020	587	2,393,611.50	4,186,591.50	(1,792,980.00)		
15	2020-2021	838	2,849,038.62	5,038,530.12	(2,189,491.50)		
16	2021-2022	828	3,535,005.72	6,201,764.22	(2,666,758.50)		
17	Grand Total	7,302.00	24,635,964.61	43,002,585.61	(18,366,621.00)		
18							
19			100%	2.5%	1%		
20	Average Number of Notes each year	561.7	561.7	14.0	5.6		
21							
22		Average Of Original Doc Stamp	Impact				
23	High	\$ 3,373.87	(1,895,074.20)				
24	Middle	\$ 3,373.87	(47,376.86)				
25	Low	\$ 3,373.87	(18,950.74)				
26							
27							
28			Measures Affecting Revenue				
29		Business Investment		Total	Growth rate		
30	2021-22	7,037.40	0	7,037.40			
31	2022-23	7,695.00	0	7,695.00	9.34%		
32	2023-24	7,540.30	0	7,540.30	-2.01%		
33	2024-25	6,523.70	1038.5	7,562.20	0.29%		
34	2025-26	6,621.60	1271.4	7,893.00	4.37%		
35	2026-27	6,843.60	1276.6	8,120.20	2.88%		
36	2027-28	7,063.90	1276.6	8,340.50	2.71%		
37							
38		High	Middle	Low			
39	Average Baseline	(1.90)	(0.05)	(0.02)			
40	2022-23	(2.07)	(0.05)	(0.02)			
41	2023-24	(2.03)	(0.05)	(0.02)			
42	2024-25	(2.04)	(0.05)	(0.02)			
43	2025-26	(2.13)	(0.05)	(0.02)			
44	2026-27	(2.19)	(0.05)	(0.02)			
45	2027-28	(2.25)	(0.06)	(0.02)			
46							
47	Fiscal year		High	Middle	Low		
48		Cash	Recurring	Cash	Recurring	Cash	Recurring
49	2023-24	\$ (2.03 M)	\$ (2.03 M)	\$ (0.05 M)	\$ (0.05 M)	\$ (0.02 M)	\$ (0.02 M)
50	2024-25	\$ (2.04 M)	\$ (2.04 M)	\$ (0.05 M)	\$ (0.05 M)	\$ (0.02 M)	\$ (0.02 M)
51	2025-26	\$ (2.13 M)	\$ (2.13 M)	\$ (0.05 M)	\$ (0.05 M)	\$ (0.02 M)	\$ (0.02 M)
52	2026-27	\$ (2.19 M)	\$ (2.19 M)	\$ (0.05 M)	\$ (0.05 M)	\$ (0.02 M)	\$ (0.02 M)
53	2027-28	\$ (2.25 M)	\$ (2.25 M)	\$ (0.06 M)	\$ (0.06 M)	\$ (0.02 M)	\$ (0.02 M)
54							

REVENUE ESTIMATING CONFERENCE

Revenue Source: Documentary Stamp Tax

Issue: Documentary Stamp Tax Exemption for DEO Loans

Bill Number(s): SB 1664/HB 1209

☐ Entire Bill

☒ Partial Bill:

Sponsor(s): Senator Hooper, Representative Shoaf and Representative Lopez, V.

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: March 31, 2023

Section 1: Narrative

a. Current Law:

s. 201.08, F. S. : Promissory notes and other obligations to pay money are levied a \$0.35 per \$100 documentary stamp tax. The documentary stamp tax on promissory notes is capped at \$2,450 (while it is uncapped on mortgage notes).

s. 201.24, F. S. : There shall be exempt from all taxes imposed by this chapter: (1) Any obligation to pay money issued by a municipality, political subdivision, or agency of the state.

s. 201.25, F. S. : There shall be exempt from all taxes imposed by this chapter: (1) Any loan made by the Florida Small Business Emergency Bridge Loan Program in response to a disaster that results in a state of emergency declared by executive order or proclamation of the Governor pursuant to s. 252.36, F. S. (2) Any federal loan that is related to a state of emergency declared by executive order or proclamation of the Governor pursuant to s. 252.36, F. S.

b. Proposed Change:

SB1664/HB1209 adds subsection (4) to section s. 201.25, F. S. to read: There shall be exempt from all taxes imposed by this chapter: (4) Any loan made with funds administered by the Department of Economic Opportunity.

Section 2: Description of Data and Sources

Loan data of the past five fiscal years, provided by Department of Economic Opportunity (DEO)

Conference results of documentary stamp tax (GR conference. March 13, 2023)

Section 3: Methodology (Include Assumptions and Attach Details)

There are currently eight loan programs administered by the Department of Economic Opportunity: Florida Small Business Emergency Bridge Loan Program, Local Government Emergency Bridge Loan Program, Rebuild Florida Business Loan Fund, Rural Community Development Revolving Loan Program, State Small Business Credit Initiative, Microfinance Guarantee Program, Black Business Loan Program, and Urban League of Broward County. Three of them are already exempt from documentary stamp tax under the current law: Florida Small Business Emergency Bridge Loan (s. 201.25, F. S.), Local Government Emergency Bridge Loan (s. 201.24, F. S.), and Rebuild Florida Business Loan (s. 201.25, F. S.). SB1664/HB1209 would have an impact on the other five programs.

One of the five currently nonexempt loan programs is funded by federal appropriation (State Small Business Credit Initiative), while the other four are funded by GR fund. The types of the loans provided by these five loan programs are all promissory notes (none of them being mortgage loans) and the loan size is generally small. The State Small Business Credit Initiative is the only program that provides loans greater or equal to \$700,000 (for which the documentary stamp is capped at \$2,450).

Using the loan data of the past five years provided by DEO, the collections of the documentary stamp can be calculated. To determine the impact of SB1664/HB1209 for FY2023-24, the average of the past five years is assumed to be the middle impact, while the maximum of the past five years as the high impact and the minimum as the low. Since the funding of these loan programs are mainly based on appropriations of each fiscal year, no growth rates are assumed in future year estimates. Also, the documentary stamp monthly distribution to various trust funds are mainly based upon the current month collection, the cash and recurring estimates are assumed to be the same.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03
2024-25	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03
2025-26	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03
2026-27	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03
2027-28	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03

REVENUE ESTIMATING CONFERENCE

Revenue Source: Documentary Stamp Tax

Issue: Documentary Stamp Tax Exemption for DEO Loans

Bill Number(s): SB 1664/HB 1209

Revenue Distribution: Doc Stamp

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopte a negative insignificant impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2024-25	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2025-26	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2026-27	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2027-28	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)

Loan Programs Admined by DEO*	FY 2018-19			FY 2019-20			FY 2020-21		
	Appopr	Loan Amt	Tax	Appopr	Loan Amt	Tax	Appopr	Loan Amt	Tax
FL Small Business Emerg Bridge Loan	\$53,000,000	\$38,389,900	\$0	\$50,000,000	\$50,086,500	\$0	\$5,000,000	\$2,319,000	\$0
Local Gov't Emerg Bridge Loan		\$0	\$0		\$0	\$0		\$0	\$0
Rebuild FL Business Loan	\$0	\$0	\$0		\$3,179,000	\$0		\$26,216,836	\$0
Rural Commtty Devel Revolving Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State Small Business Credit Initiative		\$68,911,777	\$37,525		\$109,802,358	\$50,173		\$128,991,226	\$47,674
Microfinance Guarantee Program		\$332,000	\$1,162		\$150,000	\$525		\$368,500	\$1,290
Black Business Loan Program	\$2,225,000	\$950,012	\$3,325	\$2,225,000	\$809,700	\$2,834	\$2,225,000	\$1,575,500	\$5,514
Urban League of Broward County		\$1,368,300	\$4,789		\$93,500	\$327		\$4,375	\$15
Sum of nonexempt loans		\$71,562,089	\$46,801		\$110,855,558	\$53,859		\$130,939,601	\$54,493

* These are all promissory notes and the Doc Stamp tax is capped at \$2,450.

FY2021-22			FY2022-23			Average			FL. S. Reference	Exempt from Doc Stamp (curr law)	Funding Source
Appropriation	Loan Amt	Tax	Appropriation	Loan Amt	Tax	Appropriation	Loan Amt	Tax			
\$5,000,000	\$50,000	\$0	\$50,000,000	\$37,546,140	\$0	\$32,600,000	\$25,678,308	\$0	s. 252.36	yes (s. 201.25)	GR/TF
	\$0	\$0	\$50,000,000	\$0	\$0	\$50,000,000	\$0	\$0	s. 288.066	yes (s. 201.24)	GR
	\$68,412,854	\$0		\$45,537,987	\$0		\$28,669,335	\$0	n/a	yes (s. 201.25)	Federal
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	s. 288.065	no	GR
	\$65,827,068	\$31,542		\$59,735,613	\$24,500		\$86,653,608	\$38,283	n/a	no	Federal
	\$702,098	\$2,457					\$388,150	\$1,359	s. 288.9935	no	GR
\$2,225,000	\$1,002,000	\$3,507	\$2,225,000	\$707,000	\$2,475	\$2,225,000	\$1,008,842	\$3,531	s. 288.7102	no	GR
	\$139,250	\$487		\$66,250	\$232		\$334,335	\$1,170	n/a	no	GR
	\$67,670,416	\$37,994		\$60,508,863	\$27,206		\$88,384,935	\$44,342	n/a	no	n/a

Impact of SB1664/HB1209

	Doc Stamp Collection						Doc Stamp GR					
	high		middle		low		high		middle		low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
FY 2023-24	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03	-\$0.02	-\$0.02	-\$0.02	-\$0.02	-\$0.01	-\$0.01
FY 2024-25	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03	-\$0.02	-\$0.02	-\$0.02	-\$0.02	-\$0.01	-\$0.01
FY 2025-26	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03	-\$0.02	-\$0.02	-\$0.02	-\$0.02	-\$0.01	-\$0.01
FY 2026-27	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03	-\$0.02	-\$0.02	-\$0.02	-\$0.02	-\$0.01	-\$0.01
FY 2027-28	-\$0.05	-\$0.05	-\$0.04	-\$0.04	-\$0.03	-\$0.03	-\$0.03	-\$0.03	-\$0.02	-\$0.02	-\$0.01	-\$0.01

REVENUE ESTIMATING CONFERENCE

Revenue Source: Communications Services Tax

Issue: State Rate Reduction/Local Rate Freeze

Bill Number(s): CS/SB 1432

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): Senator Trumbull

Month/Year Impact Begins: July 2023

Date(s) Conference Reviewed: March 31st, 2023

Section 1: Narrative

- a. Current Law:** The Communications Services State Sales tax rate is 4.92% and the direct-to-home satellite sales tax rate is 9.07%. Direct-to-home satellite is distributed 55.9% to the state with the remainder to the locals, per 202.18(2)(b).
- b. Proposed Change:** Changes the Communications Services State Sales tax rate to 3.48% and the direct-to-home satellite sales tax rate to 7.63%. Does not amend the 55.9% DHS split in 202.18(2)(b). Freezes the local CST rate and the local sales surtax conversion rate until January 2026.

Section 2: Description of Data and Sources

February 2023 Gross Receipts/CST Conference Package

Section 3: Methodology (Include Assumptions and Attach Details)

Using the conference package from the Feb-2023 CST Conference, we can calculate the tax bases for the affected rates by dividing the forecasted revenues by the current rates. We can then multiply these bases by the proposed rates to see the collections under this language. The impact is then the difference between current forecasted collections and the collections under this language.

The Conference does not assume potential future change to local rates in its baseline forecast; therefore, the impact of the local rate freeze is zero.

The amendment to s.202.19(3)(a), F.S., lists only fees included either currently in 202.19(3)(a), F.S., or in 202.20(2)(b), F.S.

First year cash is 11/12ths recurring to as the effective date applies to sales in July which will be recognized in August collections.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			-\$169.3 M	-\$184.7 M		
2024-25			-\$191.4 M	-\$191.4 M		
2025-26			-\$196.6 M	-\$196.6 M		
2026-27			-\$201.3 M	-\$201.3 M		
2027-28			-\$205.6 M	-\$205.6 M		

Revenue Distribution: CST

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted the proposed estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(144.2)	(157.2)	(Insignificant)	(Insignificant)	(4.8)	(5.3)	(20.3)	(22.1)
2024-25	(163.2)	(163.2)	(Insignificant)	(Insignificant)	(5.5)	(5.5)	(22.7)	(22.7)
2025-26	(167.9)	(167.9)	(Insignificant)	(Insignificant)	(5.6)	(5.6)	(23.1)	(23.1)
2026-27	(171.9)	(171.9)	(Insignificant)	(Insignificant)	(5.8)	(5.8)	(23.6)	(23.6)
2027-28	(175.7)	(175.7)	(Insignificant)	(Insignificant)	(5.9)	(5.9)	(24.1)	(24.1)

REVENUE ESTIMATING CONFERENCE**Revenue Source:** Communications Services Tax**Issue:** State Rate Reduction/Local Rate Freeze**Bill Number(s):** CS/SB 1432

	6% Sub-Total		Add: Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(169.3)	(184.6)	0.0	0.0	(169.3)	(184.6)
2024-25	(191.4)	(191.4)	0.0	0.0	(191.4)	(191.4)
2025-26	(196.6)	(196.6)	0.0	0.0	(196.6)	(196.6)
2026-27	(201.3)	(201.3)	0.0	0.0	(201.3)	(201.3)
2027-28	(205.7)	(205.7)	0.0	0.0	(205.7)	(205.7)

	A	B	C	D	E	F	G	H	I	J
1		State Rate	DHS Rate	DHS Split		Adopted Forecasts				
2	Current	4.92%	9.07%	55.9%		FY	State	202.18(2)(b)	202.18(2)(c)	Total
3	Reduction	1.44%	1.44%			2024	576.39	56.18	44.32	676.89
4	Proposed	3.48%	7.63%	55.900%		2025	599.91	55.74	43.98	699.63
5						2026	617.34	55.96	44.15	717.45
6		202.18(2) DHS Split				2027	632.91	56.32	44.59	733.82
7		Current	(b)	5.07%		2028	647.12	57.13	45.08	749.33
8			(c)	4.00%						
9		Proposed	(b)	4.27%		Implied Tax Bases				
10			(c)	3.36%		FY	State	202.18(2)(b)	202.18(2)(c)	Total
11						2024	11715.24	1108.06	1108.04	12823.30
12						2025	12193.29	1099.38	1099.54	13292.67
13						2026	12547.56	1103.72	1103.79	13651.28
14						2027	12864.02	1110.82	1114.79	13974.84
15						2028	13152.85	1126.80	1127.04	14279.64
16										
17						Collections at Proposed Rate				
18						FY	State	202.18(2)(b)	202.18(2)(c)	Total
19						2024	407.69	47.26	37.28	492.23
20						2025	424.33	46.89	37.00	508.21
21						2026	436.66	47.08	37.14	520.87
22						2027	447.67	47.38	37.51	532.56
23						2028	457.72	48.06	37.92	543.70
24										
25						Impact				
26						FY	State	202.18(2)(b)	202.18(2)(c)	Total
27						2024	-168.7	-8.9	-7.0	-184.7
28						2025	-175.6	-8.8	-7.0	-191.4
29						2026	-180.7	-8.9	-7.0	-196.6
30						2027	-185.2	-8.9	-7.1	-201.3
31						2028	-189.4	-9.1	-7.2	-205.6
32										
33						Middle				
34						FY	Cash	Recurring		
35						2024	-169.3	-184.7		-14.6
36						2025	-191.4	-191.4		-15.8
37						2026	-196.6	-196.6		-15.9
38						2027	-201.3	-201.3		-16.0
39						2028	-205.6	-205.6		-16.2

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax

Issue: Communications Equipment Sales Tax Exemption

Bill Number(s): [Proposed Language](#)

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s):

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: March 31, 2023

Section 1: Narrative

a. Current Law: Communications equipment is taxable at 6%.

b. Proposed Change: The language exempts the purchase, use, or lease of “qualifying equipment” by a provider of communications services or internet access services from sales tax. Language lists examples of “qualifying equipment” as: cable modem termination system components and WiFi equipment, headend and hub equipment, monitoring equipment, fiber optic cable, coaxial cable, conduit, distribution plant, customer connection equipment, telecommunications radio, routing and switching equipment, software, equipment enclosures above and below ground, towers, poles, mounts, electricity, transmitters, power equipment, diagnostic equipment, storage devices, servers, multiplexers, amplifiers, antennas. Language is not limited to the above.

The sales tax exemption does not apply to: real property, improvements to real property; office furniture and fixtures; general office equipment and machinery that is not used to provide communications services or internet access services; vehicles; customer premise equipment.

Section 2: Description of Data and Sources

IbisWorld telecommunications industry reports for both the U.S. and Florida:

Source: <https://www.ibisworld.com/>

- Listed reports provide historic revenue data for both the US and Florida with projected revenue collections out to CY 2027
 - o “Satellite Telecommunications Providers”
 - o “Telecommunications Resellers”
 - o “Wireless Telecommunications Carriers”
 - o “Wired Telecommunications Carriers”
 - o “Satellite TV Providers”

USTelecom, 2021 Broadband CapEx Report

Source: [2021-Broadband-Capex-Report.pdf \(ustelecom.org\)](#)

- Provides data for broadband infrastructure investment in the US from CY 2015 to CY 2021

Census, Capital expenditure for telecommunications industry equipment estimates

Source: [Annual Capital Expenditures Survey \(ACES\) \(census.gov\)](#)

- Accessed for years 2015-2021 for CapEx on equipment (new and used) in the US for telecommunications industries (NAICS codes: 5151, 5152, 5171, 5172, 5173, 5174, 5179)

Section 3: Methodology (Include Assumptions and Attach Details)

Step 1: Aggregate revenue data for the US and Florida from IBISWorld reports for services (see reports listed above) within the telecommunications industry. Convert to fiscal year taking a 2-year average. Calculate Florida’s share of US telecommunications industry revenues to establish Florida’s market size relative to national levels.

Step 2: Using broadband infrastructure investment data published by USTelecom, convert to fiscal year, and calculate the 3-year average investment growth rate (excluding FY 19-20 due to outlying data due to COVID-19) – 3.05%.

Step 3: Aggregate US capital expenditures on equipment data for available years 2015-2021 from the Census’s Annual Capital Expenditures Surveys for telecommunications services (NAICS codes: 5151, 5152, 5171, 5172, 5173, 5174, 5179). Convert to fiscal year. Apply the investment growth rate calculated in Step 2 to estimate capital expenditures on equipment for years FY 21-22 to FY 27-28.

Assumption: The investment growth rate at 3.05% is a better representation of telecommunications industry growth for Florida compared to US rates given Florida’s disproportionately large construction outlook compared to national numbers. Florida has the 3rd highest number of construction jobs (BLS) in the US with an anticipated industry annual growth rate of 3.47% in FY 23-24 ([Statista](#)). Additionally, the continued expansion of broadband services in rural regions of Florida suggests

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax

Issue: Communications Equipment Sales Tax Exemption

Bill Number(s): [Proposed Language](#)

a higher level of forthcoming investment throughout the forecast horizon than current or projected US industry revenues capture.

Step 4: Using the FL to US industry revenue shares calculated in Step 1, estimate Florida's share of capital expenditures on equipment from the US capital expenditures data aggregated in Step 3 to establish a base Florida communications equipment sales estimate.

Step 5: Calculate High, Middle, and Low estimates of Florida's communications equipment sales from telecommunications-specific spending brackets at 70%, 60%, and 50% intervals based on independent analysis conducted by the Department of Revenue. Apply the 6% sales tax to the High, Middle, and Low estimates to arrive at the estimated impact of the communications equipment sales tax exemption.

Section 4: Proposed Fiscal Impact

Communications Equipment Sales Tax (6%) Exemption impact (\$ millions)						
70% High		60% Mid		50% Low		
Cash	Recurring	Cash	Recurring	Cash	Recurring	
FY 23-24	(\$214.2)	(\$233.7)	(\$183.6)	(\$200.3)	(\$153.0)	(\$166.9)
FY 24-25	(\$242.2)	(\$242.2)	(\$207.6)	(\$207.6)	(\$173.0)	(\$173.0)
FY 25-26	(\$251.3)	(\$251.3)	(\$215.4)	(\$215.4)	(\$179.5)	(\$179.5)
FY 26-27	(\$259.5)	(\$259.5)	(\$222.5)	(\$222.5)	(\$185.4)	(\$185.4)
FY 27-28	(\$267.5)	(\$267.5)	(\$229.3)	(\$229.3)	(\$191.0)	(\$191.0)

Revenue Distribution: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(162.5)	(177.3)	(Insignificant)	(Insignificant)	(5.5)	(6.0)	(15.6)	(17.0)
2024-25	(183.8)	(183.8)	(Insignificant)	(Insignificant)	(6.2)	(6.2)	(17.6)	(17.6)
2025-26	(190.7)	(190.7)	(Insignificant)	(Insignificant)	(6.4)	(6.4)	(18.3)	(18.3)
2026-27	(197.0)	(197.0)	(Insignificant)	(Insignificant)	(6.6)	(6.6)	(18.9)	(18.9)
2027-28	(203.0)	(203.0)	(Insignificant)	(Insignificant)	(6.8)	(6.8)	(19.5)	(19.5)

	6% Sub-Total		Add: Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(183.6)	(200.3)	(22.2)	(24.2)	(205.8)	(224.5)
2024-25	(207.6)	(207.6)	(25.1)	(25.1)	(232.7)	(232.7)
2025-26	(215.4)	(215.4)	(26.1)	(26.1)	(241.5)	(241.5)
2026-27	(222.5)	(222.5)	(26.9)	(26.9)	(249.4)	(249.4)
2027-28	(229.3)	(229.3)	(27.7)	(27.7)	(257.0)	(257.0)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax

Issue: Communications Equipment Sales Tax Exemption

Bill Number(s): [Proposed Language](#)

Impact Analysis, Proposed Language, Session 2023

Communications Equipment Sales Tax Exemption

*Estimates are italicized

Step 1

US & FL telecommunication industry revenue shares (FY)

Source: IBISWorld reports: [US & FL Satellite Telecommunications Providers](#), [US & FL Telecommunications Resellers](#), [US & FL Satellite TV Providers](#), [US & FL Cable TV Providers](#)

FY 22-23	\$ 403,209.98	\$ 28,187.29	6.99%	3.32%	
FY 23-24	\$ 404,666.19	\$ 28,375.29	7.01%	0.67%	
FY 24-25	\$ 406,028.92	\$ 28,629.75	7.05%	0.90%	
FY 25-26	\$ 407,243.03	\$ 28,911.22	7.10%	0.98%	FL 3-year average (for FY 27-28 estimation)
FY 26-27	\$ 408,373.29	\$ 29,054.84	7.11%	0.50%	0.79%
FY 27-28	\$ 411,608.49	\$ 29,285.02	7.11%	0.79%	

Step 2

US broadband providers investment in communications infrastructure

Source: [2021 Broadband CapEx Report](#)

	US broadband infrastructure investment (FY, \$)	US broadband investment growth rate	
FY 17-18	\$ 78,450.00	3.43%	
FY 18-19	\$ 80,400.00	2.49%	
FY 19-20	\$ 80,100.00	-0.37%	3-year average (excl outliers for out-year CapEX estimation)
FY 20-21	\$ 82,700.00	3.25%	3.05%

Step 3 & 4

Capital expenditure for telecommunications industry equipment estimates (NAICS codes: 5151, 5152, 5171, 5172, 5173, 5174, 5179)

Source: [Census Capital Expenditures for Structures and Equipment for Companies with Employees by Industry: 2015-2021 surveys](#)

	US equipment CapEx for telecom industries (FY, \$ millions)	FL equipment CapEx for telecom industries (FY, \$ millions)	
FY 15-16	\$ 72,381.50	\$ 4,304.13	
FY 16-17	\$ 75,760.00	\$ 4,544.55	
FY 17-18	\$ 78,213.00	\$ 4,736.27	
FY 18-19	\$ 77,795.50	\$ 4,747.15	
FY 19-20	\$ 73,195.50	\$ 4,502.18	
FY 20-21	\$ 72,515.50	\$ 4,581.59	
FY 21-22	\$ 74,729.50	\$ 5,022.95	
FY 22-23	\$ 77,011.10	\$ 5,383.63	
FY 23-24	\$ 79,362.35	\$ 5,564.91	
FY 24-25	\$ 81,785.40	\$ 5,766.82	
FY 25-26	\$ 84,282.42	\$ 5,983.42	
FY 26-27	\$ 86,855.68	\$ 6,179.59	
FY 27-28	\$ 89,507.51	\$ 6,368.26	

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax

Issue: Communications Equipment Sales Tax Exemption

Bill Number(s): [Proposed Language](#)

Step 5	Communications Equipment Sales Tax (6%) Exemption impact (\$ millions)					
	70% High		60% Mid		50% Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
FY 21-22	\$193.38	\$210.96	\$165.76	\$180.83	\$138.13	\$150.69
FY 22-23	\$226.11	\$226.11	\$193.81	\$193.81	\$161.51	\$161.51
FY 23-24	\$233.73	\$233.73	\$200.34	\$200.34	\$166.95	\$166.95
FY 24-25	\$242.21	\$242.21	\$207.61	\$207.61	\$173.00	\$173.00
FY 25-26	\$251.30	\$251.30	\$215.40	\$215.40	\$179.50	\$179.50
FY 26-27	\$259.54	\$259.54	\$222.47	\$222.47	\$185.39	\$185.39
FY 27-28	\$267.47	\$267.47	\$229.26	\$229.26	\$191.05	\$191.05

Impact Analysis, Proposed Language, Session 2023

Communications Equipment Sales Tax Exemption

**Estimates are italicized*

Step 1

US & FL telecommunication industry revenue shares (FY)

Source: IBISWorld report

FY 22-23	\$	403,209.98	\$	28,187.29	6.99%	3.32%
FY 23-24	\$	404,666.19	\$	28,375.29	7.01%	0.67%
FY 24-25	\$	406,028.92	\$	28,629.75	7.05%	0.90%
FY 25-26	\$	407,243.03	\$	28,911.22	7.10%	0.98% FL 3-year average (for FY 27-28 estimation)
FY 26-27	\$	408,373.29	\$	29,054.84	7.11%	0.50% 0.79%
FY 27-28	\$	411,608.49	\$	29,285.02	7.11%	0.79%

Step 2

US broadband providers investment in communications infrastructure

Source: 2021 Broadband CapEx Report

	US broadband infrastructure investment (FY, \$ millions)	US broadband investment growth rate	
FY 17-18	\$ 78,450.00	3.43%	
FY 18-19	\$ 80,400.00	2.49%	
FY 19-20	\$ 80,100.00	-0.37%	3-year average (exlc outliers for out-year CapEX estimation)
FY 20-21	\$ 82,700.00	3.25%	3.05%

Step 3 & 4

Capital expenditure for telecommunications industry equipment estimates (NAICS codes: 5151, 5152, 5171, 5172, 5173, 5174, 5179)

Source: Census, Capital Expenditures for Structures and Equipment for Companies with Employess by Industry: 2015-2021 surveys

US equipment CapEx for telecom industries (FY, \$ millions)	FL equipment CapEx for telecom industries (FY, \$ millions)
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FY 15-16	\$	72,381.50	\$	4,304.13
FY 16-17	\$	75,760.00	\$	4,544.55
FY 17-18	\$	78,213.00	\$	4,736.27
FY 18-19	\$	77,795.50	\$	4,747.15
FY 19-20	\$	73,195.50	\$	4,502.18
FY 20-21	\$	72,515.50	\$	4,581.59
FY 21-22	\$	74,729.50	\$	5,022.95
FY 22-23	\$	77,011.10	\$	5,383.63
FY 23-24	\$	79,362.35	\$	5,564.91
FY 24-25	\$	81,785.40	\$	5,766.82
FY 25-26	\$	84,282.42	\$	5,983.42
FY 26-27	\$	86,855.68	\$	6,179.59
FY 27-28	\$	89,507.51	\$	6,368.26

Step 5

Communications Equipment Sales Tax (6%) Exemption impact (\$ millions)						
70% High		60% Mid		50% Low		
Cash	Recurring	Cash	Recurring	Cash	Recurring	
FY 21-22	\$193.38	\$210.96	\$165.76	\$180.83	\$138.13	\$150.69
FY 22-23	\$226.11	\$226.11	\$193.81	\$193.81	\$161.51	\$161.51
FY 23-24	\$233.73	\$233.73	\$200.34	\$200.34	\$166.95	\$166.95
FY 24-25	\$242.21	\$242.21	\$207.61	\$207.61	\$173.00	\$173.00
FY 25-26	\$251.30	\$251.30	\$215.40	\$215.40	\$179.50	\$179.50
FY 26-27	\$259.54	\$259.54	\$222.47	\$222.47	\$185.39	\$185.39
FY 27-28	\$267.47	\$267.47	\$229.26	\$229.26	\$191.05	\$191.05

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax

Issue: Fencing

Bill Number(s): Proposed Language

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s):

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: March 31, 2023

Section 1: Narrative

- a. Current Law:** s.212.08(5)(a), F.S., exempts certain items in agricultural use from sales tax: hog wire and barbed wire fencing, including gates and materials, used to construct or repair such fencing used in agricultural production on lands classified as agricultural lands under s. 40 193.461.
- b. Proposed Change:** Adds “materials used to construct or repair permanent or temporary fencing used to contain, confine, or process cattle, including gates and energized fencing systems, used in agricultural operations on lands classified as agricultural lands under s. 193.461.”

Section 2: Description of Data and Sources

Agriculture land data, Florida Department of Agriculture and Consumer Services

CPI from 02/23 REC

Market based Price research

02/22 Impact analysis

Section 3: Methodology (Include Assumptions and Attach Details)

It is assumed that there is no growth in the amount of farmland in use. It is assumed that all farmland that requires fencing has it at this time, and expenses for repair and replacement will be exempt under the proposed changes. With barbed wire and hogwire already being exempt under current law it was assumed electrified fencing systems would be the main cattle fence not already exempt. Using market research, a pricing matrix was made using \$1.47 per foot as the high, \$0.50 per foot as the low, and the middle being the average of both. An assumption on average cattle pasture size was used to find a possible number of pastures as well as the perimeter of fencing used for each. This number is also adjusted by percent of pastures that are currently not using barbed wire or another exempt fencing type and for shared fence lines. The total price of electrified fencing is then multiplied by the repair and replacement percentages and multiplied by the sales tax rate for the impact.

There is a one-month lag to collections, and the first-year cash is equal to eleven months of the recurring.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	\$(0.8 M)	\$(0.9 M)	\$(0.5 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)
2024-25	\$(0.9 M)	\$(0.9 M)	\$(0.6 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)
2025-26	\$(1.0 M)	\$(1.0 M)	\$(0.6 M)	\$(0.6 M)	\$(0.3 M)	\$(0.3 M)
2026-27	\$(1.0 M)	\$(1.0 M)	\$(0.7 M)	\$(0.7 M)	\$(0.3 M)	\$(0.3 M)
2027-28	\$(1.0 M)	\$(1.0 M)	\$(0.7 M)	\$(0.7 M)	\$(0.3 M)	\$(0.3 M)

Revenue Distribution: Sales and Use Tax

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(0.5)	(0.5)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)
2024-25	(0.5)	(0.5)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2025-26	(0.5)	(0.5)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2026-27	(0.6)	(0.6)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2027-28	(0.6)	(0.6)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Sales and Use Tax

Issue: Fencing

Bill Number(s): Proposed Language

	6% Sub-Total		Add: Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(0.5)	(0.6)	(0.1)	(0.1)	(0.6)	(0.7)
2024-25	(0.6)	(0.6)	(0.1)	(0.1)	(0.7)	(0.7)
2025-26	(0.6)	(0.6)	(0.1)	(0.1)	(0.7)	(0.7)
2026-27	(0.7)	(0.7)	(0.1)	(0.1)	(0.8)	(0.8)
2027-28	(0.7)	(0.7)	(0.1)	(0.1)	(0.8)	(0.8)

acreage	total farm land	% land used for cattle	Total cattle land
2022	9,700,000	55%	5,342,147

Area of acre (ft ²)	43,560
perimeter of acre (ft)	834.84

CPI	
2023-24	6.2%
2024-25	2.9%
2025-26	2.1%
2026-27	2.2%
2027-28	2.2%
2028-29	2.1%

Electric Wire

Price per Foot for electric wire fencing (includes posts and gates) grown at CPI

	High	Middle	Low
2022-23	\$ 1.47	\$ 0.99	\$ 0.50
2023-24	\$ 1.56	\$ 1.05	\$ 0.53
2024-25	\$ 1.61	\$ 1.08	\$ 0.55
2025-26	\$ 1.64	\$ 1.10	\$ 0.56
2026-27	\$ 1.68	\$ 1.12	\$ 0.57
2027-28	\$ 1.71	\$ 1.15	\$ 0.58
2028-29	\$ 1.75	\$ 1.17	\$ 0.59

Average size of cattle pasture (acres)

Percent of Cattle pasture fenced in electric wire

Perimeter of Average cattle pasture (feet)

Percent of Average Cattle pastures contiguous

100
20%
8,348.41
25%

Value of Currently installed electric wire fencing (\$M)

	High	Middle	Low
2023-24	\$ 98.3	\$ 65.9	\$ 33.4
2024-25	\$ 104.4	\$ 70.0	\$ 35.5
2025-26	\$ 107.5	\$ 72.0	\$ 36.6
2026-27	\$ 109.7	\$ 73.5	\$ 37.3
2027-28	\$ 112.1	\$ 75.1	\$ 38.1

Rate of Replacement	5%
Rate of repair	10%

Price for Repair and Replacement of Currently installed electric wire fencing (\$M)

	High	Middle	Low
2023-24	\$ 14.8	\$ 9.9	\$ 5.0
2024-25	\$ 15.7	\$ 10.5	\$ 5.3
2025-26	\$ 16.1	\$ 10.8	\$ 5.5
2026-27	\$ 16.5	\$ 11.0	\$ 5.6
2027-28	\$ 16.8	\$ 11.3	\$ 5.7

Sales Tax on Repair and Replacement of Currently installed electric wire fencing (\$M)

	High	Middle	Low
2023-24	\$ 0.9	\$ 0.6	\$ 0.3
2024-25	\$ 0.9	\$ 0.6	\$ 0.3
2025-26	\$ 1.0	\$ 0.6	\$ 0.3
2026-27	\$ 1.0	\$ 0.7	\$ 0.3
2027-28	\$ 1.0	\$ 0.7	\$ 0.3

Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	\$ (0.8 M)	\$ (0.9 M)	\$ (0.5 M)	\$ (0.6 M)	\$ (0.3 M)	\$ (0.3 M)
2024-25	\$ (0.9 M)	\$ (0.9 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.3 M)	\$ (0.3 M)
2025-26	\$ (1.0 M)	\$ (1.0 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.3 M)	\$ (0.3 M)
2026-27	\$ (1.0 M)	\$ (1.0 M)	\$ (0.7 M)	\$ (0.7 M)	\$ (0.3 M)	\$ (0.3 M)
2027-28	\$ (1.0 M)	\$ (1.0 M)	\$ (0.7 M)	\$ (0.7 M)	\$ (0.3 M)	\$ (0.3 M)

Electric Wire per foot

	High	Mid	Low
wire roll (1320 ft, 5 rolls per fence)	0.42	0.29	0.17
T post (20 ft apart)	0.60	0.40	0.20
Gate (1 gate every 1000 ft)	0.40	0.25	0.10
Battery (1 per 6000 ft)	0.05	0.04	0.03
Total price per foot	1.47	0.98	0.50

REVENUE ESTIMATING CONFERENCE

Revenue Source: Aviation Taxes

Issue: Aviation Fuel Tax Repeal

Bill Number(s): Proposed Language

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): NA

Month/Year Impact Begins: 07/01/2023

Date(s) Conference Reviewed: 03/31/2023

Section 1: Narrative

- a. Current Law:** Part III of Chapter 206, F.S. imposes an excise tax of 4.27 cents per gallon upon every gallon of aviation fuel sold in this state or brought into the state for use.
- b. Proposed Change:** Part III of Chapter 206, F.S. is repealed, ending the assessment of the 4.27 cents per gallon aviation fuel tax upon the effective date of this bill.

Section 2: Description of Data and Sources

03/01/23 Transportation Revenue Estimating Conference

Contact with staff from Florida DOR

Section 3: Methodology (Include Assumptions and Attach Details)

The repeal of the aviation fuel tax will result in revenue loss to the State Transportation Trust Fund, DOR Administrative Trust Funds via the administrative charge, and the General Revenue Fund via the 8% GR service charge. The current forecast of these amounts was retrieved directly from the latest Transportation REC. The recurring reduction reflects the tax's elimination. For the FY 2023-24 cash impact, the forecast is adjusted to reflect the two month lag for collections and four month lag for refunds. Thus, FY 2023-24 refunds will exceed total collections resulting in a higher cash negative adjustment than recurring negative adjustment.

Section 4: Proposed Fiscal Impact

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			(2.3)	(2.3)		
2024-25			(2.4)	(2.4)		
2025-26			(2.4)	(2.4)		
2026-27			(2.5)	(2.5)		
2027-28			(2.5)	(2.5)		

Trust	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			(27.4)	(26.9)		
2024-25			(27.4)	(27.4)		
2025-26			(28.0)	(28.0)		
2026-27			(28.4)	(28.4)		
2027-28			(28.9)	(28.9)		

Revenue Distribution:

General Revenue Fund

State Transportation Trust Fund

DOR Administrative Trust Fund

REVENUE ESTIMATING CONFERENCE

Revenue Source: Aviation Taxes

Issue: Aviation Fuel Tax Repeal

Bill Number(s): Proposed Language

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(2.3)	(2.3)	(27.4)	(26.9)	0.0	0.0	(29.7)	(29.2)
2024-25	(2.4)	(2.4)	(27.4)	(27.4)	0.0	0.0	(29.8)	(29.8)
2025-26	(2.4)	(2.4)	(28.0)	(28.0)	0.0	0.0	(30.4)	(30.4)
2026-27	(2.5)	(2.5)	(28.4)	(28.4)	0.0	0.0	(30.9)	(30.9)
2027-28	(2.5)	(2.5)	(28.9)	(28.9)	0.0	0.0	(31.4)	(31.4)

	A	B	C	D	E	F	G	H
1	Proposed Language Aviation Fuel Tax Repeal							
2								
3	Current Forecast - Aviation Fuel Tax (millions)							
4		Gross Collections	Refunds	DOR Admin Charge	GR Service Charge	Net to STTF		
5	2023-24	\$ 61.5	\$ 32.3	\$ 0.1	\$ 2.3	\$ 26.8		
6	2024-25	\$ 62.5	\$ 32.7	\$ 0.1	\$ 2.4	\$ 27.3		
7	2025-26	\$ 63.4	\$ 33.0	\$ 0.1	\$ 2.4	\$ 27.9		
8	2026-27	\$ 64.2	\$ 33.3	\$ 0.1	\$ 2.5	\$ 28.3		
9	2027-28	\$ 65.0	\$ 33.6	\$ 0.1	\$ 2.5	\$ 28.8		
10	2028-29	\$ 65.7	\$ 34.0	\$ 0.1	\$ 2.5	\$ 29.1		
11	2029-30	\$ 66.4	\$ 34.3	\$ 0.1	\$ 2.6	\$ 29.4		
12	2030-31	\$ 67.1	\$ 34.7	\$ 0.1	\$ 2.6	\$ 29.7		
13	2031-32	\$ 67.7	\$ 35.0	\$ 0.1	\$ 2.6	\$ 30.0		
14								
15	New Forecast - Aviation Fuel Tax (millions)							
16		Gross Collections	Refunds	DOR Admin Charge	GR Service Charge	Net to STTF	GR Refund Adjustment	STTF Refund Adjustment
17	2023-24 (cash)	\$ 10.3	\$ 10.8	\$ 0.02	\$ 0.4	\$ 4.5	\$ (0.4)	\$ (5.0)
18	2023-24 (recurring)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	2024-25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	2025-26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	2026-27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	2027-28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	2028-29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	2029-30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	2030-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	2031-32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27								
28	Impact - Aviation Fuel Repeal							
29		Total	GR	Trust	Local			
30	2023-24 (cash)	\$ (29.7)	\$ (2.3)	\$ (27.4)	\$ -			
31	2023-24 (recurring)	\$ (29.2)	\$ (2.3)	\$ (26.9)	\$ -			
32	2024-25	\$ (29.8)	\$ (2.4)	\$ (27.4)	\$ -			
33	2025-26	\$ (30.4)	\$ (2.4)	\$ (28.0)	\$ -			
34	2026-27	\$ (30.9)	\$ (2.5)	\$ (28.4)	\$ -			
35	2027-28	\$ (31.4)	\$ (2.5)	\$ (28.9)	\$ -			
36	2028-29	\$ (31.7)	\$ (2.5)	\$ (29.2)	\$ -			
37	2029-30	\$ (32.1)	\$ (2.6)	\$ (29.5)	\$ -			
38	2030-31	\$ (32.4)	\$ (2.6)	\$ (29.8)	\$ -			
39	2031-32	\$ (32.7)	\$ (2.6)	\$ (30.1)	\$ -			

REVENUE ESTIMATING CONFERENCE

Revenue Source: Outlook – General Revenue

Issue: Transfer of Balances

Bill Number(s): CS/HB 5, Section 8

☐ **Entire Bill**

☒ **Partial Bill:** Section 8

Sponsor(s): Representative Esposito

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: March 31, 2023

Section 1: Narrative

- a. Current Law:** Enterprise Florida, Inc. (EFI) has created an escrow account in a commercial bank to hold Quick Action Closing Funds that are obligated to businesses via contract. The contracts include specific dates at which time the business's performance will be measured. Typically, the business provides data in support of meeting performance requirements within a few months after the expected performance date. A third-party auditor verifies the data. The payment to the company is typically made in the fiscal year following the performance date (e.g., a December 2022 performance date would result in a Fiscal Year 2023-24 payment).

As of March 24, 2023, the total funds held in the escrow account are approximately \$21.2 million. The funds are deposited outside of the State Treasury. EFI returns escrow funds to the Department of Economic Opportunity (DEO) when incentive recipients do not meet contract deliverables—in the fund from which the appropriation originated. On a quarterly basis, EFI also remits interest payments earned on escrow funds to DEO again based on the source of the original appropriation.

- b. Proposed Change:** Section 8 of the bill requires a type two transfer of EFI's duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds to DEO. Pursuant to s. 20.06(2), F.S., a type two transfer provides for the merging of an abolished unit, program, activity, or function into an existing agency. The type two transfer covers all statutory powers, duties, functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds. The transfer of segregated funds must be done such that the relation between program and revenue source as provided by law is retained. In effect, the legislation requires the transfer of the EFI escrow account balance from the commercial bank to DEO for deposit into the State Treasury.

Section 2: Description of Data and Sources

- DEO's February 2023 Escrow Activity Monthly Status Report dated March 14, 2023 (required by Specific Appropriation 2229 of the 2022-23 General Appropriations Act).
- Escrow balance and anticipated payments provided by DEO staff (as of March 24, 2023).

Section 3: Methodology (Include Assumptions and Attach Details)

The table below shows the anticipated payments from the escrow accounts, assuming all of the companies meet the required performance expectations and subsequent data validation by external auditors. If no more payments are made to eligible companies by June 30, 2023, approximately \$21.2 million would be available for transfer to DEO for deposit into the State Treasury. Based on continuing validated December 2021 and 2022 performances, however, DEO would be expected to pay approximately \$8.9 million to eligible companies in Fiscal Year 2023-24—\$6.3 million with 2021 December and \$2.6 million with 2022 December performance dates.

Escrow Balance and Anticipated Payments (balance as of March 24, 2023)

Performance Date	Payment Year	Amount	GR	SEED TF
2021 December	2022-23	\$6,326,629	\$3,110,806	\$3,215,823
2022 December	2023-24	\$2,565,000	\$15,000	\$2,550,000
2023 December	2024-25	\$5,450,000	\$2,750,000	\$2,700,000
2024 December	2025-26	\$2,550,000	\$0	\$2,550,000
2025 December	2026-27	\$2,100,000	\$0	\$2,100,000
2026 December	2027-28	\$0	\$0	\$0
2027 December	2028-29	\$2,250,000	\$2,250,000	\$0
TOTAL		\$21,241,629	\$8,125,806	\$13,115,823

REVENUE ESTIMATING CONFERENCE

Revenue Source: Outlook – General Revenue

Issue: Transfer of Balances

Bill Number(s): CS/HB 5, Section 8

The legislation does not specify into which fund the transferred escrow funds would be deposited. Given the deposit of the funds by EFI into an escrow account outside the State Treasury, the returning funds would arguably be deposited into the General Revenue Fund in the absence of further direction.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			\$21.2M			
2024-25						
2025-26						
2026-27						
2027-28						

Revenue Distribution:

General Revenue Fund

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	21.2	0.0	0.0	0.0	0.0	0.0	21.2	0.0
2024-25	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2025-26	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2026-27	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2027-28	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Ad Valorem: Rental of Homestead Property

Bill Number(s): HB 1599 & SB 1716

☐ **Entire Bill**

☒ **Partial Bill:** Section 2

Sponsor(s): Representatives Tuck and Melo, Senator Yarborough

Month/Year Impact Begins: July 1, 2023 (2023 Ad Valorem Tax Roll)

Date(s) Conference Reviewed: March 24th, 2023; March 31st, 2023

Section 1: Narrative

- a. **Current Law:** Section 196.061(1), Florida Statutes, indicates that renting all or substantially all of a dwelling results in the abandonment of a homestead exemption, unless the rental occurs after January 1 and is for less than 30 days per year over any 2-year period.
- b. **Proposed Change:** Section 196.061(1), Florida Statutes, is amended to indicate that renting all of a dwelling results in the abandonment of a homestead exemption, meaning renting substantially all of the dwelling no longer results in the abandonment of the homestead, and the following language is added:

"The rental of a portion of a dwelling claimed to be a homestead for tax purposes while the dwelling is physically occupied by the owner does not constitute the abandonment of the dwelling as a homestead."

Section 2: Description of Data and Sources

2022 Millage and Taxes Levied Report, 2022 Final Data Book published by Property Tax Oversight

Various Final Real Property Assessment Rolls, NAL data

Results of the Ad Valorem Estimating Conference, March 6, 2023

Section 3: Methodology (Include Assumptions and Attach Details)

a. **Summary:**

In Florida, a property owner can claim homestead on their property if it is their primary residence. A property being labelled as homestead provides it with three benefits. First, the first \$25,000 of assessed value is exempt from both school and non-school ad valorem taxes. Second, the value between \$50,000 and \$75,000 of assessed value is exempt from non-school ad valorem taxes. Finally, the assessed value of the property, for both school and non-school purposes, cannot grow at a rate faster than the lesser of 3 percent or the consumer price index. This growth cap is referred to as the Save Our Homes cap.

Under the current law, if a property owner claims homestead on the property, but rents out half of the property, then half of the property would receive the benefits of a homestead and the others would be labeled as non-homestead residential. Non-homestead residential and non-residential parcels have their assessed value's growth rate for non-school purposes limited to a maximum of 10 percent. Their assessed value's growth rate for school purposes is not capped.

Under the proposed language, property owners would receive the homestead benefits on the entire property so long as the entire dwelling is not rented out and the owner physically occupies the dwelling. There is no guidance regarding how much of the dwelling must be occupied by the owner or how frequently they must occupy it. As such, many properties that are currently split between homestead and/or non-homestead residential and/or non-residential will become entirely homesteads. Some examples of properties that would become entirely homesteads include: a quadraplex where an owner resides in one unit and rents the other 3 units; a pizzeria rented out to a business in which the owner lives upstairs; a bed and breakfast in which the owner lives in the off season. Some of these examples may not have a homestead element on the tax roll today. The language does not require an application or notice. These changes represent a substantial difference from current administration and would be applied universally and automatically by the property appraisers.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Ad Valorem: Rental of Homestead Property

Bill Number(s): HB 1599 & SB 1716

To estimate the impact over the next 5 fiscal years, properties that currently have a homestead value and either (or both) a non-homestead residential and/or a non-residential value are evaluated under the current law and under the proposed language. Assessed Value growth rates must be selected for the forecast period to estimate what the future assessed value of each property would be under the current law and under the proposed language. While the results of the Ad Valorem Conference would be the typical choice, those growth rates apply to each property category as a whole, and do not translate well when applied parcel by parcel. For example, the growth in assessed value of all homesteads from 2020 to 2021 was 7.4 percent, but the legal maximum (Save Our Homes cap) was 1.4 percent. The difference is primarily driven by the increase in the number of homesteads between the years. It would be incorrect to assume that any given parcel's assessed value would grow at 7.4 percent. For homestead properties the historical median was the Save Our Homes cap, and thus the Saves Our Homes cap forecast is used. For non-homestead residential properties the historical median was the 10 percent cap, and thus 10 percent is used for the forecast. For non-residential properties the historical median fluctuated but generally stayed within a percentage point of 4 percent, and thus 4 percent is used for the forecast.

The low impact identifies the tax impact on the parcels identified using the method above. This underrepresents the true impact because there are parcels that would be homesteads after the law change that have zero homestead value today. There are two categories of such parcels that are indistinguishable from the analysis perspective. One category includes parcels today that would automatically become homesteads after the law change and have a first-year recurring impact. This may include such properties as a bed and breakfast in which the owner lives in unrented portions at various times through the year that is identified on the roll as entirely non-homestead residential. The other category includes parcels in which the owner changes behavior as a result of the law change. This may include the owner of a pizzeria that is currently renting out the apartment upstairs to the chef, who, after the law change, would choose to physically occupy a portion of it to claim the whole parcel as a homestead. This category based on behavioral changes may not all switch immediately and could have a tapering in effect. This tapering effect is not quantified. While the two categories identified are indistinguishable, the middle and high impacts attempt to account for them by considering the tax impact of a portion of the non-homestead residential and non-residential parcels currently on the roll with no homestead value becoming homesteads.

Because the quantity of non-homestead residential parcels with a homestead element is increasing over time, the impacts below may be understated. The bill goes into effect July 1, 2023, and it does not indicate to which roll it is to first apply. As such, it is assumed that adjustment will be made to the 2023 roll and have a cash impact on the 2023-2024 fiscal year.

b. Analyst's Procedural Details:

Using the 2022 real property tax roll, parcels were identified as relevant if they have both a non-zero assessed value on a homestead and either (or both) a non-zero assessed value on non-homestead residential or certain residential and non-residential (referred to henceforth as non-residential). Mean and median data were compiled for the historical growth of parcels that did not sell or change use from 2017 through 2022 with non-homestead residential and non-residential features combined with a homestead. For each parcel, the non-homestead residential and non-residential amounts are grown by approximately the median rate from the history and the homestead value is grown by the save our homes rate to simulate the baseline scenario. The 3 value types are summed and then grown forward using the save our homes rate for to simulate the proposed language scenario. Some other scenarios are considered in the attached documents regarding what the expected growth rates are in the future for the 3 property types. They include options for using the Ad Valorem Conference results, legal maximum growth rates, and historical median growth rates.

The two applicable \$25,000 homestead exemptions were calculated for each parcel. The first applied to the first \$25,000 of both school and non-school taxable value. The second applied to non-school taxable values

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Ad Valorem: Rental of Homestead Property

Bill Number(s): HB 1599 & SB 1716

between \$50,000 and \$75,000. Note that for any property with a homestead assessed value of over \$75,000, the only impact is from the lower growth rate of homestead properties. The school district taxable value is calculated as the previous year's school district taxable value plus the change in the homestead value between that year and the previous year's homestead value and subtracting the change between the two years in the first homestead exemption that applies to both school and non-school taxable value. The non-school district taxable value is calculated as the previous year's non-school district taxable value plus the change in the homestead value between that year and the previous year's homestead value and subtracting the change between the two years in the first homestead exemption that applies to both school and non-school taxable value and the change in the second exemption that only applies to non-school taxable value. The exemption amounts and the taxable values under the bill are estimated using the same methodology above but applied to the total homestead amount derived using the proposed language scenario. The difference between the taxable value under the bill and the taxable value under current law is the impact. These are multiplied by the 2022 school and non-school millage rates to arrive at a tax impact. The low impact uses this methodology but represents less than the minimum possible impact because some properties without a homestead value on the roll would automatically become a homestead of the proposed language were implemented.

For the middle and high it is assumed that, in addition to the low impact, some portion of the non-homestead residential and non-residential currently on the roll without a homestead will become homesteads after the bill. Their current values are grown forward using the same percentages for non-homestead residential and non-residential as used above for the baseline scenario. Their current values are grown forward using the same our homes cap and a \$25,000 school and a \$50,000 non-school exemption per parcel are added for the proposed language scenario. This part is done in aggregate so more precise exemptions based on individual values was not plausible, but the average value of any parcel was approximately \$225k for the non-homestead residential and nearly \$900k for the non-residential. The middle assumes that 1 percent of existing non-homestead residential parcels without a homestead would become one as a result of the bill, 0.25 percent of non-residential parcels without a homestead, and 0.5 percent of parcels with both features but no homestead. The high assumes 2 percent, .5 percent, and 1 percent for those same categories.

Because the quantity of non-homestead residential parcels with a homestead element is increasing over time at approximately 2 percent each year, the impacts below may be understated. The bill goes into effect July 1, 2023, and it does not indicate to which roll it is to first apply. As such, it is assumed that adjustment will be made to the 2023 roll and have a cash impact on the 2023-2024 fiscal year.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	\$(104.6 M)	\$(104.6 M)	\$(62.1 M)	\$(62.1 M)	\$(19.5 M)	\$(19.5 M)
2024-25	\$(140.6 M)	\$(140.6 M)	\$(86.3 M)	\$(86.3 M)	\$(31.9 M)	\$(31.9 M)
2025-26	\$(186.5 M)	\$(186.5 M)	\$(117.2 M)	\$(117.2 M)	\$(47.8 M)	\$(47.8 M)
2026-27	\$(236.8 M)	\$(236.8 M)	\$(151.0 M)	\$(151.0 M)	\$(65.2 M)	\$(65.2 M)
2027-28	\$(293.2 M)	\$(293.2 M)	\$(189.0 M)	\$(189.0 M)	\$(84.7 M)	\$(84.7 M)

Revenue Distribution: Ad Valorem

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Ad Valorem: Rental of Homestead Property

Bill Number(s): HB 1599 & SB 1716

Section 5: Consensus Estimate (Adopted: 03/31/2023): The Conference adopted the high estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(25.5)	(25.5)	(79.0)	(79.0)	(104.6)	(104.6)
2024-25	(38.0)	(38.0)	(102.7)	(102.7)	(140.6)	(140.6)
2025-26	(53.8)	(53.8)	(132.8)	(132.8)	(186.5)	(186.5)
2026-27	(71.1)	(71.1)	(165.7)	(165.7)	(236.8)	(236.8)
2027-28	(90.5)	(90.5)	(202.7)	(202.7)	(293.2)	(293.2)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	0.0	0.0	0.0	0.0	(104.6)	(104.6)	(104.6)	(104.6)
2024-25	0.0	0.0	0.0	0.0	(140.6)	(140.6)	(140.6)	(140.6)
2025-26	0.0	0.0	0.0	0.0	(186.5)	(186.5)	(186.5)	(186.5)
2026-27	0.0	0.0	0.0	0.0	(236.8)	(236.8)	(236.8)	(236.8)
2027-28	0.0	0.0	0.0	0.0	(293.2)	(293.2)	(293.2)	(293.2)

	A	B	C	D	E	F
1	Roll Year	Number of Non-Homestead Residential Parcels	Number of Homestead Parcels with Non-Homestead Residential Element	Growth in Non-Homestead Residential Parcels	Growth in Homestead Parcels with Non-Homestead Residential Element	
2	2011	4,225,587	80,815	1.2%	(1.3%)	
3	2012	4,271,663	82,629	1.1%	2.2%	
4	2013	4,354,096	85,033	1.9%	2.9%	
5	2014	4,472,755	83,768	2.7%	(1.5%)	
6	2015	4,500,739	82,520	0.6%	(1.5%)	
7	2016	4,549,106	82,621	1.1%	0.1%	
8	2017	4,523,606	83,048	(0.6%)	0.5%	
9	2018	4,496,273	84,855	(0.6%)	2.2%	
10	2019	4,472,573	89,633	(0.5%)	5.6%	
11	2020	4,439,707	90,903	(0.7%)	1.4%	
12	2021	4,434,761	92,215	(0.1%)	1.4%	
13	2022	4,464,583	92,750	0.7%	0.6%	
14	Source:	Roll Analysis	Roll Analysis	Roll Analysis	Roll Analysis	
15						
16	Roll Year	Number of Non-Residential Parcels	Number of Homestead Parcels with Non-Residential Element	Growth in Non-Residential Parcels	Growth in Homestead Parcels with Non-Residential Element	
17	2011	1,101,178	14,536	2.6%	(1.8%)	
18	2012	1,110,290	13,756	0.8%	(5.4%)	
19	2013	1,108,512	13,561	(0.2%)	(1.4%)	
20	2014	1,062,483	13,429	(4.2%)	(1.0%)	
21	2015	1,082,405	13,346	1.9%	(0.6%)	
22	2016	1,027,770	13,266	(5.0%)	(0.6%)	
23	2017	1,027,221	13,107	(0.1%)	(1.2%)	
24	2018	1,029,878	13,194	0.3%	0.7%	
25	2019	1,054,338	12,359	2.4%	(6.3%)	
26	2020	1,075,015	12,570	2.0%	1.7%	
27	2021	1,070,365	12,839	(0.4%)	2.1%	
28	2022	1,068,854	12,514	(0.1%)	(2.5%)	
29	Source:	Roll Analysis	Roll Analysis	Roll Analysis	Roll Analysis	
30						
31	Roll Year	Number of Non-Homestead Residential with Non-Residential Parcels	Number of Homestead Parcels with Non-Homestead Residential and Non-Residential Element	Growth in Non-Homestead Residential with Non-Residential Parcels	Growth in Homestead Parcels with Non-Homestead Residential and Non-Residential Element	
32	2011	513	12	(4.5%)	0.0%	
33	2012	324	6	(36.8%)	(50.0%)	
34	2013	254	3	(21.6%)	(50.0%)	
35	2014	268	3	5.5%	0.0%	
36	2015	277	4	3.4%	33.3%	
37	2016	518	14	87.0%	250.0%	
38	2017	1,064	23	105.4%	64.3%	
39	2018	1,798	102	69.0%	343.5%	
40	2019	8,413	169	367.9%	65.7%	
41	2020	8,466	169	0.6%	0.0%	
42	2021	10,071	276	19.0%	63.3%	
43	2022	10,110	258	0.4%	(6.5%)	
44	Source:	Roll Analysis	Roll Analysis	Roll Analysis	Roll Analysis	
45						

	A	B	C	D	E	F
46	History	Homestead Residential Growth Rate of Parcels with Both Homestead and Non- Homestead Elements (No Sale, Same Owner, & No Construction/Deletion Value from 2017- 2022)		Constitutional Maximum Growth of Homestead Assessed Value	Homestead Residential Assessed Value from March 2023 Ad Valorem Conference	
47	Roll Year	Mean	Median	Save Our Homes Cap	Growth Rate	
48	2018	2.2%	2.1%	2.1%	6.9%	
49	2019	1.6%	1.9%	1.9%	7.5%	
50	2020	2.2%	2.3%	2.3%	7.5%	
51	2021	1.7%	1.4%	1.4%	7.4%	
52	2022	3.1%	3.0%	3.0%	12.0%	
53	<i>Source:</i>	<i>Roll Analysis</i>	<i>Roll Analysis</i>	<i>PTO</i>	<i>Conference Package</i>	
54						
55	History	Non-Homestead Residential Growth Rate of Parcels with Both Homestead and Non-Homestead Elements (No Sale, Same Owner, & No Construction/Deletion Value from 2017- 2022)		Non-Homestead Residential Assessed Value from March 2023 Ad Valorem Conference		
56	Roll Year	Mean	Median	Growth Rate		
57	2018	8.0%	10.0%	5.7%		
58	2019	6.4%	10.0%	5.3%		
59	2020	6.4%	10.0%	4.4%		
60	2021	7.5%	10.0%	6.0%		
61	2022	9.0%	10.0%	16.7%		
62	<i>Source:</i>	<i>Roll Analysis</i>	<i>Roll Analysis</i>	<i>Conference Package</i>		
63						
64	History	Non-Residential (AV Over 1k) Growth Rate of Parcels with Both Homestead and Non-Residential Elements (No Sale, Same Owner, & No Construction/Deletion Value from 2017- 2022)		Non-Residential (AV Over 10k) Growth Rate of Parcels with Both Homestead and Non-Residential Elements (No Sale, Same Owner, & No Construction/Deletion Value from 2017- 2022)		Non-Residential Assessed Value from March 2023 Ad Valorem Conference
65	Roll Year	Mean	Median	Mean	Median	Growth Rate
66	2018	4.5%	3.3%	4.6%	4.2%	6.6%
67	2019	4.1%	3.7%	4.3%	4.5%	7.9%
68	2020	4.9%	3.7%	4.4%	4.5%	7.1%
69	2021	4.0%	2.0%	4.0%	2.8%	4.4%
70	2022	7.4%	10.0%	7.7%	10.0%	11.4%
71	<i>Source:</i>	<i>Roll Analysis</i>	<i>Roll Analysis</i>	<i>Roll Analysis</i>	<i>Roll Analysis</i>	<i>Conference Package</i>
72						
73	Forecast	Used in March 24 Impact Based on Historical Medians & Constitutional Caps		Conference Recommended Considering March 2023 Ad Valorem Conference Results		
74	Need For Analysis:	If Non-Homestead Residential Part of Parcel Remained Non-Homestead Residential	If Non-Homestead Residential Portion Became Homestead	If Non-Homestead Residential Part of Parcel Remained Non-Homestead Residential	If Non-Residential Part of Parcel Remained Non- Residential	If Non-Homestead Residential or Non- Residential Portion Became Homestead
75	Roll Year	Non-School Assessment Cap	Save Our Homes Cap	Growth in Non- Homestead Residential Assessed Value	Growth in Non- Residential Assessed Value	Growth in Homestead Assessed Value
76	2022	10.0%	3.0%	16.7%	11.4%	12.0%
77	2023	10.0%	3.0%	16.9%	11.8%	11.4%
78	2024	10.0%	3.0%	2.3%	7.9%	9.7%
79	2025	10.0%	2.0%	6.7%	5.4%	8.6%
80	2026	10.0%	2.2%	5.5%	6.2%	7.7%
81	2027	10.0%	2.1%	4.7%	6.5%	6.6%
82	2028	10.0%	2.2%	4.7%	5.8%	6.4%
83	<i>Source:</i>	<i>Legal Max</i>	<i>Estimated Legal Max</i>	<i>Conference Package</i>	<i>Conference Package</i>	<i>Conference Package</i>

	B	C	D	E
1	Choice # 0	SOH	MEDIAN	SOH
2	Growth Rates Used in Parcel Level	HX	NH	NR
3	2023	3.0%	10.0%	3.0%
4	2024	3.0%	10.0%	3.0%
5	2025	2.0%	10.0%	2.0%
6	2026	2.2%	10.0%	2.2%
7	2027	2.1%	10.0%	2.1%
8	2028	2.2%	10.0%	2.2%
9				
10	Impact - Low	SD	NSD	TOTAL
11	2023	\$ (3,840,050)	\$ (15,525,314)	\$ (19,365,364)
12	2024	\$ (7,694,003)	\$ (23,843,613)	\$ (31,537,617)
13	2025	\$ (12,578,916)	\$ (34,483,902)	\$ (47,062,818)
14	2026	\$ (17,934,694)	\$ (46,150,591)	\$ (64,085,285)
15	2027	\$ (23,939,870)	\$ (59,248,908)	\$ (83,188,779)
16	2028	\$ (30,587,820)	\$ (73,756,508)	\$ (104,344,327)
17				
18	Choice # 1	SOH	CONF	CONF
19	Growth Rates Used in Parcel Level	HX	NH	NR
20	2023	3.0%	16.9%	11.8%
21	2024	3.0%	2.3%	7.9%
22	2025	2.0%	6.7%	5.4%
23	2026	2.2%	5.5%	6.2%
24	2027	2.1%	4.7%	6.5%
25	2028	2.2%	4.7%	5.8%
26				
27	Impact - Low	SD	NSD	TOTAL
28	2023	\$ (7,702,023)	\$ (24,021,655)	\$ (31,723,678)
29	2024	\$ (7,801,241)	\$ (24,079,535)	\$ (31,880,775)
30	2025	\$ (10,900,071)	\$ (30,790,443)	\$ (41,690,514)
31	2026	\$ (13,468,353)	\$ (36,324,641)	\$ (49,792,994)
32	2027	\$ (15,769,959)	\$ (41,275,102)	\$ (57,045,061)
33	2028	\$ (18,056,619)	\$ (46,187,866)	\$ (64,244,485)
34				
35	Choice # 2	SOH	CAP	CAP
36	Growth Rates Used in Parcel Level	HX	NH	NR
37	2023	3.0%	10.0%	10.0%
38	2024	3.0%	10.0%	10.0%
39	2025	2.0%	10.0%	10.0%
40	2026	2.2%	10.0%	10.0%
41	2027	2.1%	10.0%	10.0%
42	2028	2.2%	10.0%	10.0%
43				
44	Impact - Low	SD	NSD	TOTAL
45	2023	\$ (4,222,624)	\$ (16,366,977)	\$ (20,589,600)
46	2024	\$ (8,508,886)	\$ (25,636,354)	\$ (34,145,240)
47	2025	\$ (13,940,301)	\$ (37,478,948)	\$ (51,419,249)
48	2026	\$ (19,895,203)	\$ (50,463,712)	\$ (70,358,916)
49	2027	\$ (26,571,881)	\$ (65,039,332)	\$ (91,611,213)
50	2028	\$ (33,963,055)	\$ (81,182,027)	\$ (115,145,082)
51				

	B	C	D	E
52	Choice # 3	CONF	CONF	CONF
53	Growth Rates Used in Parcel Level	HX	NH	NR
54	2023	11.4%	16.9%	11.8%
55	2024	9.7%	2.3%	7.9%
56	2025	8.6%	6.7%	5.4%
57	2026	7.7%	5.5%	6.2%
58	2027	6.6%	4.7%	6.5%
59	2028	6.4%	4.7%	5.8%
60				
61	Impact - Low	SD	NSD	TOTAL
62	2023	\$ (3,051,985)	\$ (13,364,837)	\$ (16,416,822)
63	2024	\$ 1,055,821	\$ (3,833,376)	\$ (2,777,555)
64	2025	\$ 2,546,673	\$ (114,714)	\$ 2,431,959
65	2026	\$ 4,289,633	\$ 4,115,035	\$ 8,404,667
66	2027	\$ 5,854,822	\$ 7,900,594	\$ 13,755,416
67	2028	\$ 7,483,646	\$ 11,812,125	\$ 19,295,772
68				
69	Choice # 4	SOH	CONF - LEGAL LIMIT	CONF - LEGAL LIMIT
70	Growth Rates Used in Parcel Level	HX	NH	NR
71	2023	3.0%	10.0%	10.0%
72	2024	3.0%	2.3%	7.9%
73	2025	2.0%	6.7%	5.4%
74	2026	2.2%	5.5%	6.2%
75	2027	2.1%	4.7%	6.5%
76	2028	2.2%	4.7%	5.8%
77				
78	Impact - Low	SD	NSD	TOTAL
79	2023	\$ (4,222,624)	\$ (16,366,977)	\$ (20,589,600)
80	2024	\$ (4,236,090)	\$ (16,236,205)	\$ (20,472,295)
81	2025	\$ (7,098,930)	\$ (22,427,933)	\$ (29,526,863)
82	2026	\$ (9,457,697)	\$ (27,501,198)	\$ (36,958,896)
83	2027	\$ (11,567,662)	\$ (32,030,050)	\$ (43,597,712)
84	2028	\$ (13,657,364)	\$ (36,509,505)	\$ (50,166,869)
85				
86	Choice # 5	SOH	Median NH History	Median NR History
87	Growth Rates Used in Parcel Level	HX	NH	NR
88	2023	3.0%	10.0%	4.0%
89	2024	3.0%	10.0%	4.0%
90	2025	2.0%	10.0%	4.0%
91	2026	2.2%	10.0%	4.0%
92	2027	2.1%	10.0%	4.0%
93	2028	2.2%	10.0%	4.0%
94				
95	Impact - Low	SD	NSD	TOTAL
96	2023	\$ (3,894,703)	\$ (15,645,552)	\$ (19,540,255)
97	2024	\$ (7,807,136)	\$ (24,092,505)	\$ (31,899,641)
98	2025	\$ (12,813,697)	\$ (35,000,421)	\$ (47,814,118)
99	2026	\$ (18,287,074)	\$ (46,925,827)	\$ (65,212,900)
100	2027	\$ (24,419,318)	\$ (60,303,693)	\$ (84,723,011)
101	2028	\$ (31,196,270)	\$ (75,095,100)	\$ (106,291,370)

	A	B	C	D	E	F	G
1	Scenario Choice:	5					
2	Cohort Non-Homestead Res:	0					
3	Non-Homestead Res Share of Total:	88%					
4	Non-Homestead Res Cohort Percent Each Year:	2%					
5							
6	Growth Rates Used in Parcel Level	Homestead	Non-Homestead Residential	Non-Residential			
7	2023	3.0%	10.0%	4.0%			
8	2024	3.0%	10.0%	4.0%			
9	2025	2.0%	10.0%	4.0%			
10	2026	2.2%	10.0%	4.0%			
11	2027	2.1%	10.0%	4.0%			
12	2028	2.2%	10.0%	4.0%			
13							
14	Impact - Low	School	Non-School	Total			
15	2023	\$ (3,894,703)	\$ (15,645,552)	\$ (19,540,255)			
16	2024	\$ (7,807,136)	\$ (24,092,505)	\$ (31,899,641)			
17	2025	\$ (12,813,697)	\$ (35,000,421)	\$ (47,814,118)			
18	2026	\$ (18,287,074)	\$ (46,925,827)	\$ (65,212,900)			
19	2027	\$ (24,419,318)	\$ (60,303,693)	\$ (84,723,011)			
20	2028	\$ (31,196,270)	\$ (75,095,100)	\$ (106,291,370)			
21							
22	No Homestead Becomes Homestead - Middle	Share to Convert	Implied Parcels				
23	Non-Homestead Residential	1.00%	44,547				
24	Non-Residential	0.25%	2,613				
25	Combo Non-Homestead Residential and Non-Residential	0.50%	49				
26							
27	Impact - Middle	School	Non-School	Total			
28	2023	\$ (14,708,036)	\$ (47,342,031)	\$ (62,050,067)			
29	2024	\$ (22,893,348)	\$ (63,378,366)	\$ (86,271,714)			
30	2025	\$ (33,301,465)	\$ (83,880,391)	\$ (117,181,855)			
31	2026	\$ (44,696,514)	\$ (106,323,724)	\$ (151,020,238)			
32	2027	\$ (57,465,784)	\$ (131,490,111)	\$ (188,955,895)			
33	2028	\$ (71,588,675)	\$ (159,329,191)	\$ (230,917,866)			
34							
35	No Homestead Becomes Homestead - High	Share to Convert	Implied Parcels				
36	Non-Homestead Residential	2.00%	89,095				
37	Non-Residential	0.50%	5,226				
38	Combo Non-Homestead Residential and Non-Residential	1.00%	99				
39							
40	Impact - High	School	Non-School	Total			
41	2023	\$ (25,521,369)	\$ (79,038,510)	\$ (104,559,879)			
42	2024	\$ (37,979,560)	\$ (102,664,227)	\$ (140,643,786)			
43	2025	\$ (53,789,232)	\$ (132,760,360)	\$ (186,549,593)			
44	2026	\$ (71,105,954)	\$ (165,721,622)	\$ (236,827,576)			
45	2027	\$ (90,512,250)	\$ (202,676,529)	\$ (293,188,779)			
46	2028	\$ (111,981,079)	\$ (243,563,282)	\$ (355,544,361)			
47							

	A	B	C	D	E	F	G
48	Impact on School						
49		High		Middle		Low	
50		Cash	Recurring	Cash	Recurring	Cash	Recurring
51	2023-24	\$(25.5 M)	\$(25.5 M)	\$(14.7 M)	\$(14.7 M)	\$(3.9 M)	\$(3.9 M)
52	2024-25	\$(38.0 M)	\$(38.0 M)	\$(22.9 M)	\$(22.9 M)	\$(7.8 M)	\$(7.8 M)
53	2025-26	\$(53.8 M)	\$(53.8 M)	\$(33.3 M)	\$(33.3 M)	\$(12.8 M)	\$(12.8 M)
54	2026-27	\$(71.1 M)	\$(71.1 M)	\$(44.7 M)	\$(44.7 M)	\$(18.3 M)	\$(18.3 M)
55	2027-28	\$(90.5 M)	\$(90.5 M)	\$(57.5 M)	\$(57.5 M)	\$(24.4 M)	\$(24.4 M)
56							
57	Impact on Non-School						
58		High		Middle		Low	
59		Cash	Recurring	Cash	Recurring	Cash	Recurring
60	2023-24	\$(79.0 M)	\$(79.0 M)	\$(47.3 M)	\$(47.3 M)	\$(15.6 M)	\$(15.6 M)
61	2024-25	\$(102.7 M)	\$(102.7 M)	\$(63.4 M)	\$(63.4 M)	\$(24.1 M)	\$(24.1 M)
62	2025-26	\$(132.8 M)	\$(132.8 M)	\$(83.9 M)	\$(83.9 M)	\$(35.0 M)	\$(35.0 M)
63	2026-27	\$(165.7 M)	\$(165.7 M)	\$(106.3 M)	\$(106.3 M)	\$(46.9 M)	\$(46.9 M)
64	2027-28	\$(202.7 M)	\$(202.7 M)	\$(131.5 M)	\$(131.5 M)	\$(60.3 M)	\$(60.3 M)
65							
66	Total Impact						
67		High		Middle		Low	
68		Cash	Recurring	Cash	Recurring	Cash	Recurring
69	2023-24	\$(104.6 M)	\$(104.6 M)	\$(62.1 M)	\$(62.1 M)	\$(19.5 M)	\$(19.5 M)
70	2024-25	\$(140.6 M)	\$(140.6 M)	\$(86.3 M)	\$(86.3 M)	\$(31.9 M)	\$(31.9 M)
71	2025-26	\$(186.5 M)	\$(186.5 M)	\$(117.2 M)	\$(117.2 M)	\$(47.8 M)	\$(47.8 M)
72	2026-27	\$(236.8 M)	\$(236.8 M)	\$(151.0 M)	\$(151.0 M)	\$(65.2 M)	\$(65.2 M)
73	2027-28	\$(293.2 M)	\$(293.2 M)	\$(189.0 M)	\$(189.0 M)	\$(84.7 M)	\$(84.7 M)