

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Surviving Spouse of Quadriplegics Exemption (Implementing Bill)

**Bill Number(s):** CS/SB 750, HB 165

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator Simon, Representative Tant

**Month/Year Impact Begins:** January 2027

**Date(s) Conference Reviewed:** April 4<sup>th</sup>, 2027

**Section 1: Narrative**

- a. **Current Law:** Subsection 196.101(1), F.S., provides a full ad valorem tax exemption for homesteads owned and used by a quadriplegic.
- b. **Proposed Change:** The current law subsection 196.101(1), F.S., becomes paragraph 196.101(1)(a) and a paragraph 196.101(1)(b) is added such that if the quadriplegic predeceases their spouse, the exemption carries to the spouse so long as they do not remarry. If the spouse moves to a new homestead, the exemption transfers up to the dollar amount of the exemption granted on the original homestead. Furthermore, this replaces the term “discount” with “exemption”.

**Section 2: Description of Data and Sources**

Aggregate Millage based on Proposed Millages from Each Taxing Authority in December 2024  
 Results of the Ad Valorem Estimating Conference Package, March 5<sup>th</sup>, 2025  
 Data provided by Property Appraisers

**Section 3: Methodology (Include Assumptions and Attach Details)**

On the property tax roll, Exemption 08 represents all 196.101 exemptions. It is not limited to quadriplegics. Data was provided by the property appraisers indicating the amount of taxable value exempted for quadriplegics. 53 counties responded, representing approximately 95 percent of the population of the state. The total taxable value was shared up by the population ratio to arrive at a statewide estimate of taxable value exempted for quadriplegics of \$483,244,756.

To estimate the impact of the bill, some assumptions must be made regarding mortality, marriage rates, and the behavior of widows of quadriplegics. The high assumes a 7.5 percent annual mortality rate among quadriplegics, the middle assumes 5 percent and the low assumes 2.5 percent. Miami-Dade provided data that 36.4 percent of homesteads with the quadriplegic exemption were jointly filed. The high assumes the full 36.4 percent of joint filing homesteads are for marriage, the middle assumes 30 percent, and the low 25 percent. The high assumes that 90 percent of surviving spouses will meet all qualifiers (do not remarry, maintain a homestead in the state of Florida), the middle assumes 75 percent and the low assumes 50 percent.

It is assumed that the bill applies retroactively such that the surviving spouse of a quadriplegic that died in the past but otherwise meets the requirements of the bill language would receive the exemption today. It is further assumed that no refund of taxes paid in the interim would be made. The high assumes that the existing surviving spouse pool would be 3 times the size of the new widows in the first year, the middle assumes the same size as the new widows, and the low assumes half the size. The 2025 taxable value is grown out to 2029 using the Homestead Taxable Value growth rates derived from the March 2025 Ad Valorem Estimating Conference. The aggregate school and non-school millage rates could be applied to arrive at an impact for each year.

Earlier during this session, the Conference adopted the high estimate if the Constitutional Amendment passes.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$0	\$(1.2 M)	\$0	\$(0.3 M)	\$0	(*)
2026-27	\$0	\$(1.2 M)	\$0	\$(0.3 M)	\$0	(*)
2027-28	\$(1.0 M)	\$(1.2 M)	\$(0.2 M)	\$(0.3 M)	(*)	(*)
2028-29	\$(1.1 M)	\$(1.2 M)	\$(0.2 M)	\$(0.3 M)	(*)	(*)
2029-30	\$(1.2 M)	\$(1.2 M)	\$(0.3 M)	\$(0.3 M)	(*)	(*)

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Surviving Spouse of Quadriplegics Exemption (Implementing Bill)

**Bill Number(s):** CS/SB 750, HB 165

**Revenue Distribution:** Ad Valorem

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The adopted impact of the implementing bill to the constitutional amendment is zero/negative indeterminate due to the requirement for a statewide referendum.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	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/**)
2027-28	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2028-29	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2029-30	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)

Note: If the constitutional amendment does not pass, the impact is zero. If approved, the Conference adopted the high estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	(0.4)	0.0	(0.7)	0.0	(1.2)
2026-27	0.0	(0.4)	0.0	(0.7)	0.0	(1.2)
2027-28	(0.4)	(0.4)	(0.6)	(0.7)	(1.0)	(1.2)
2028-29	(0.4)	(0.4)	(0.7)	(0.7)	(1.1)	(1.2)
2029-30	(0.4)	(0.4)	(0.7)	(0.7)	(1.2)	(1.2)

	A	B	C	D	E	F	G	H	I	J
1	<b>2025 Aggregate Millage Rates</b>									
2	School	5.9037								
3	Non-School	10.4586								
4										
5	<b>New Impact SJR 748</b>									
6	<b>Roll Year</b>	<b>Homestead Taxable Value</b>	<b>Growth</b>							
7	2024	\$ 1,099,714,359,817.00								
8	2025	\$ 1,210,158,404,424.89	10.04%							
9	2026	\$ 1,322,547,728,086.28	9.29%							
10	2027	\$ 1,436,480,032,210.63	8.61%							
11	2028	\$ 1,539,051,588,351.89	7.14%							
12	2029	\$ 1,647,032,404,919.99	7.02%							
13	2030	\$ 1,754,678,188,019.91	6.54%							
14										
15	<b>2025 Roll Year</b>	<b>Value</b>								
16	Reported Taxable Value of Quadriplegic Exemption	\$ 454,525,204								
17	Counties Reporting	53								
18	Population in Reporting Counties	20,858,189								
19	Population in Unreported Counties	1,317,942								
20	Share-Up Amount	106.32%								
21	Statewide Taxable Value of Quadriplegic Exemption	\$ 483,244,756								
22	Data for Jointly Filed Homestead in Group	36.4%								
23										
24	<b>Assumptions</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>						
25	Yearly Mortality	7.5%	5.0%	2.5%						
26	Share Married	36.4%	30.0%	25.0%						
27	Share Qualifiers (no remarriage, stay in state, etc.)	90.0%	75.0%	50.0%						
28	Retroactive Additional Year 1 Impact	300.0%	100.0%	50.0%						
29										
30	<b>Taxable Value Impact</b>	<b>High</b>	<b>Middle</b>	<b>Low</b>						
31	2024	\$ 47,445,848.81	\$ 10,873,007.02	\$ 2,265,209.80						
32	2025	\$ 52,210,823.82	\$ 11,964,980.46	\$ 2,492,704.26						
33	2026	\$ 57,059,725.54	\$ 13,076,187.10	\$ 2,724,205.65						
34	2027	\$ 61,975,197.30	\$ 14,202,649.38	\$ 2,958,885.29						
35	2028	\$ 66,400,523.29	\$ 15,216,786.59	\$ 3,170,163.87						
36	2029	\$ 71,059,225.30	\$ 16,284,405.80	\$ 3,392,584.54						
37	2030	\$ 75,703,472.70	\$ 17,348,712.49	\$ 3,614,315.10						
38										
39	<b>Impact on School</b>									
40		<b>High</b>	<b>Middle</b>	<b>Low</b>						
41		Cash	Recurring	Cash	Recurring	Cash	Recurring			
42	2025-26	\$0	\$(0.4 M)	\$0	\$(0.1 M)	\$0	\$(0.0 M)			
43	2026-27	\$0	\$(0.4 M)	\$0	\$(0.1 M)	\$0	\$(0.0 M)			
44	2027-28	\$(0.4 M)	\$(0.4 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)			-365882.9723
45	2028-29	\$(0.4 M)	\$(0.4 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)			-392008.7694
46	2029-30	\$(0.4 M)	\$(0.4 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)			-419512.3484
47										
48	<b>Impact on Non-School</b>									
49		<b>High</b>	<b>Middle</b>	<b>Low</b>						
50		Cash	Recurring	Cash	Recurring	Cash	Recurring			
51	2025-26	\$0	\$(0.7 M)	\$0	\$(0.2 M)	\$0	\$(0.0 M)			
52	2026-27	\$0	\$(0.7 M)	\$0	\$(0.2 M)	\$0	\$(0.0 M)			
53	2027-28	\$(0.6 M)	\$(0.7 M)	\$(0.1 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)			-648173.7985
54	2028-29	\$(0.7 M)	\$(0.7 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)			-694456.5129
55	2029-30	\$(0.7 M)	\$(0.7 M)	\$(0.2 M)	\$(0.2 M)	\$(0.0 M)	\$(0.0 M)			-743180.0138
56										
57	<b>Total Impact</b>									
58		<b>High</b>	<b>Middle</b>	<b>Low</b>						
59		Cash	Recurring	Cash	Recurring	Cash	Recurring			
60	2025-26	\$0	\$(1.2 M)	\$0	\$(0.3 M)	\$0	\$(0.1 M)			
61	2026-27	\$0	\$(1.2 M)	\$0	\$(0.3 M)	\$0	\$(0.1 M)			
62	2027-28	\$(1.0 M)	\$(1.2 M)	\$(0.2 M)	\$(0.3 M)	\$(0.048 M)	\$(0.1 M)			
63	2028-29	\$(1.1 M)	\$(1.2 M)	\$(0.2 M)	\$(0.3 M)	\$(0.052 M)	\$(0.1 M)			
64	2029-30	\$(1.2 M)	\$(1.2 M)	\$(0.3 M)	\$(0.3 M)	\$(0.056 M)	\$(0.1 M)			

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Sales and Use Tax  
**Issue:** Gold and Silver as legal tender  
**Bill Number(s):** HB 999

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Representatives Bankson; Miller

**Month/Year Impact Begins:** July 1, 2025

**Date(s) Conference Reviewed:** April 4, 2025

### Section 1: Narrative

#### a. Current Law:

Section 212.05, F.S., provides the legislative intent that all sales of tangible personal property in Florida are subject to sales tax, unless specifically exempt by Chapter 212, F.S. Section 212.02(19), F.S., defines tangible personal property to include "personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses." The definition excludes "stocks, bonds, notes, insurance, or other obligations or securities or pari-mutuel tickets sold or issued under the racing laws of the state."

Rule 12A-1.0371(1), F.A.C., The sale, use, consumption, or storage for use in this state of any coin or currency, whether in circulation or not, is subject to tax unless: (1) The coin or currency is legal tender of the United States; (2) The coin or currency is legal tender of a country other than the United States, and the coin or currency is sold at its face value.

Rule 12A-1.0371(1)(c), F.A.C., Examples: United States Olympic Coin Sets and United States Double Eagles are legal tender of the United States, and their sale is not taxable.

Rule 12A-1.0371(2), F.A.C., provides that the sale, use, consumption, or storage for use of bullion in Florida is subject to sales tax. The rule defines bullion to mean "gold, silver, or platinum in the form of bars, ingots, or plates, normally sold by weight."

Section 212.08(7)(ww), F.S., provides a partial exemption for bullion when the sales price exceeds \$500. The sale of gold, silver, or platinum bullion, or any combination thereof, in a single transaction, is exempt when the total sales price of such bullion exceeds \$500.

#### b. Proposed Change:

Section 215.986(1)(4)(a), F.S. Allow account holders to buy, sell, save, or spend physical gold or silver as a form of currency.

Section 215.986(1)(f), F.S., "Specie" means coin having bullion.

Section 215.986(1)(g), F.S., "Specie legal tender means: 1. Specie issued by the Federal Government at any time; or 2. Any other specie recognized by this state or any other state pursuant to S. 10, Art. I of the United States Constitution.

Section 215.986(2)(a), F.S., Specie Legal tender is legal tender.

Section 215.986(2)(b), F.S., Specie or specie legal tender may not be characterized as personal property for taxation or regulatory purposes.

Section 215.986(2)(c), F.S., The purchase or sale of any type or form of specie does not give rise to any state tax liability.

Section 215.986(2)(d), F.S., The exchange or conversion of one type or form of legal tender for another type or form of legal tender does not give rise to any state tax liability.

### Section 2: Description of Data and Sources

Impact analysis of HB 221 completed on 3/31/99.

2023 Florida Sales Tax Handbook

DOR Sales of large national gold bullion companies 2001-2024

Impact for HB 6021/SB 134 on 2/24/25

<https://edr.state.fl.us/Content/conferences/revenueimpact/index.cfm>

[A-Mark Investor Presentation](#)

[Investment | World Gold Council](#)

[Investment | World Gold Council](#)

[Gold Demand & Supply by Country | World Gold Council](#)

[U.S. Demand for Physical Gold Soars Amid Trade War with China | GoldBroker.com](#)

<https://blog.tenthamentcenter.com/2023/12/new-hampshire-bill-would-treat-gold-and-silver-as-money/>

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales and Use Tax  
**Issue:** Gold and Silver as legal tender  
**Bill Number(s):** HB 999

- <https://wyoleg.gov/2023/Fiscal/HB0103.pdf>
- [https://docs.legis.wisconsin.gov/2023/related/fe/ab29/ab29\\_dor.pdf](https://docs.legis.wisconsin.gov/2023/related/fe/ab29/ab29_dor.pdf)
- [https://pub.njleg.state.nj.us/Bills/2022/S2000/1825\\_E1.PDF](https://pub.njleg.state.nj.us/Bills/2022/S2000/1825_E1.PDF)
- <https://legislature.vermont.gov/Documents/2024/Docs/BILLS/H-0295/H-0295%20As%20Introduced.pdf>
- [Gold Market Primer: Market size and structure | World Gold Council](#)
- <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2021/16712>
- <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2022>

**Section 3: Methodology (Include Assumptions and Attach Details)**

There will be a negative impact to Sales tax.

Step 1: Estimate Florida’s share of the gold and silver bullion market. Sources show that in 2024, the U.S. investors bought 115 metric tonnes of gold bars and coins. First, the analysis converts tonnes to troy ounces. One metric tonne is equal to 32,151 troy ounces. The analysis then multiplies 117 by troy ounces to get the total troy ounces purchased in the United States. To get the amount of silver purchased, the analysis uses data from one of the largest bullion dealers in the U.S. They show on their annual report the number of ounces sold for gold and silver sold in 2024. They show they sold 454K gold ounces and 13.2 million ounces of silver. Silver was 96.68% of their total sales. This gets us to an estimated U.S. amount of 3.7 million ounces of gold purchased and 107.6 million ounces of silver.

Step 2: Take the estimated amount of gold and silver bars and coins purchased in the U.S to the share that Florida purchased. The analysis then applies Florida’s population percentage of the U.S. to get Florida’s estimated amount purchased. Florida’s population is 6.75% of the total U.S. population. Next Florida’s share is multiplied it by the average closing price of gold and silver per ounce for 2024. Gold’s average price in 2024 was \$2,389 and silver was \$28. This results in the total estimated value of bars and coins purchased in Florida in 2024 to \$596 million in gold and \$205 million in silver.

Step 3: Remove investment coins from the equation. These are already exempt from sales tax since the vast majority are legal tender, which do not apply. Total worldwide gold bar and coin demand worldwide was 1,184 tonnes in 2021, with bars being 869 tonnes, or 73.4%, and coins being 314 tonnes, or 26.6%. The analysis then multiplies the total estimated sales for gold and silver by 73.42% to get the estimated sales of just gold and silver bars in Florida. For gold, that total is \$437.5 million and \$150.8 million for a total of \$588 million.

To get to the estimated impact, the analysis takes 10% of gold bar sales and 90% of estimated silver sales and assumes 17.5% of those are taxable. This results in a total of \$31.4 million. Then apply the sales tax rate of 6% to the \$31.4 which results in \$1.9 million. That result is then grown by the sales tax liability growth rates for the middle impact. The low estimate assumes 12% of sales are taxable and the high estimate assumes 20% of sales are taxable. All grown by the sales tax liability growth rate.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$(2.0)	\$(2.2)	\$(1.8)	\$(1.9)	\$(1.2)	\$(1.3)
2026-27	\$(2.3)	\$(2.3)	\$(2.0)	\$(2.0)	\$(1.4)	\$(1.4)
2027-28	\$(2.3)	\$(2.3)	\$(2.1)	\$(2.1)	\$(1.4)	\$(1.4)
2028-29	\$(2.4)	\$(2.4)	\$(2.1)	\$(2.1)	\$(1.5)	\$(1.5)
2029-30	\$(2.5)	\$(2.5)	\$(2.2)	\$(2.2)	\$(1.5)	\$(1.5)

**Revenue Distribution:**

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales and Use Tax  
**Issue:** Gold and Silver as legal tender  
**Bill Number(s):** HB 999

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(1.6)	(1.6)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.1)	(0.2)
2026-27	(1.7)	(1.7)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)
2027-28	(1.8)	(1.8)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)
2028-29	(1.8)	(1.8)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)
2029-30	(1.9)	(1.9)	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.2)	(0.2)

	6% Sub-Total		Add: Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(1.8)	(1.9)	(0.3)	(0.3)	(2.1)	(2.2)
2026-27	(2.0)	(2.0)	(0.3)	(0.3)	(2.3)	(2.3)
2027-28	(2.1)	(2.1)	(0.3)	(0.3)	(2.4)	(2.4)
2028-29	(2.1)	(2.1)	(0.3)	(0.3)	(2.4)	(2.4)
2029-30	(2.2)	(2.2)	(0.3)	(0.3)	(2.5)	(2.5)

	<b>Tonne</b>	<b>Troy Ounces</b>
1 Tonne is equal to 32,151 Troy ounces	1	32,151

	Gold	Silver	Total
<b>High Impact</b>			
US Gold Ounces Multiplied by 115 tonnes to get total ounces Gold. Silver is a percentage of sales	3,697,331	107,654,211	111,351,542
Multiply Florida % of U.S. Population to get amount of ounces purchased in Florida	249,431	7,262,626	
Average Price of Gold/Silver per ounce in 2024	\$2,389	\$28	
Price of Gold/Silver multiplied by Ounces Purchased in Florida	\$595,936,227	\$205,314,430	
Multiplied by 73.42% to get number % of sales in bars	\$437,564,134	\$150,751,417	
Multiplied by 26.58% to get percent of coins purchased	\$158,372,093	\$54,563,013	
Total estimated sales in Florida of Gold and Silver in 2024	\$588,315,551		
Take 10% of gold estimated bar Sales	43,756,413		
Take 90% of silver estimated bar Sales	\$135,676,275.70		
Sum of gold and silver estimated sales	\$179,432,689.09		
Total estimated Florida market in 2024 in terms of sales	\$179,432,689.09		
12% of gross sales are taxable (Low)	\$21,531,922.69		
17.5% of gross sales are taxable (Middle)	\$31,400,720.59		
20% of gross sales are taxable (High)	\$35,886,537.82		
Low estimate 6% sales tax rate	\$1,291,915.36		
Middle Estimate sales tax rate	\$1,884,043.24		
High estimate sales tax rate	\$2,153,192.27		
<b>High Estimate</b>			
Assumed estimated current sales tax collections in 2024	-\$2,153,192		
<b>Middle Impact</b>			
Assumed estimated current sales tax collections in 2024	-\$1,884,043		
<b>Low Impact</b>			
Assumed estimated current sales tax collections in 2024	-\$1,291,915		

2024 Bar and Coin Demand in Tonnes

<b>Gold Bars</b>	869.3	73.4%
<b>Coins</b>	314.6	26.6%
<b>World wide Tonnes</b>	1183.9	100.00%

		Gold ounces	Silver Ounces	Total %
Gold Ounces Sold	454,000	3.32%		
Silver Ounces Sold	13,219,000		96.68%	
<b>Total Ounces</b>	13,673,000			100.00%

US Pop	341,145,670
FL Pop	23,014,551
	6.75%

	Sales tax liability Growth Rates
2022-23	7.20%
2023-24	0.10%
2024-25	-0.60%
2025-26	2.70%
2026-27	3.00%
2027-28	3.00%
2028-29	3.10%
2029-30	3.00%

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$ (2.0)	\$ (2.2)	\$ (1.8)	\$ (1.9)	\$ (1.2)	\$ (1.3)
2026-27	\$ (2.3)	\$ (2.3)	\$ (2.0)	\$ (2.0)	\$ (1.4)	\$ (1.4)
2027-28	\$ (2.3)	\$ (2.3)	\$ (2.1)	\$ (2.1)	\$ (1.4)	\$ (1.4)
2028-29	\$ (2.4)	\$ (2.4)	\$ (2.1)	\$ (2.1)	\$ (1.5)	\$ (1.5)
2029-30	\$ (2.5)	\$ (2.5)	\$ (2.2)	\$ (2.2)	\$ (1.5)	\$ (1.5)

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Local Taxes and Fees

**Issue:** Requires Certain Local Option Taxes to be Enacted or Reenacted in a Specified Manner

**Bill Number(s):** CS/HB 1221, CS/SB 1664

**Entire Bill**

**Partial Bill**

**Sponsor(s):** Ways and Means Committee and Representative Miller, Senator Trumbull

**Month/Year Impact Begins:** July 1, 2025

**Date(s) Conference Reviewed:** March 21, 2025

### Section 1: Narrative

#### a. Current Law:

##### Tourist Development Taxes

Section 125.0104, F.S., authorizes five separate tourist development taxes (TDTs) that county governments may levy. Depending on a county's eligibility to levy, the tax rate applied to transient rental transactions may vary from a minimum of 3 percent to a maximum of 6 percent. The five levies are each subject to referendum approval. The tax proceeds are used generally for capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance; however, the authorized uses vary according to the particular levy. The five TDTs, and the number of eligible counties levying as of January 2025,<sup>1</sup> are listed below.

1. 1 or 2 Percent Tax [s. 125.0104(3)(c), F.S.] – levied by 62 of 67 eligible counties.
2. Additional 1 Percent Tax [s. 125.0104(3)(d), F.S.] – levied by 56 of 59 eligible counties.
3. Professional Sports Franchise Facility Tax [s. 125.0104(3)(l), F.S.] – levied by 46 of 67 eligible counties.
4. High Tourism Impact Tax [s. 125.0104(3)(m), F.S.] – levied by 11 of 15 eligible counties.
5. Additional Professional Sports Franchise Facility Tax [s. 125.0104(3)(n), F.S.] – levied by 37 of 65 eligible counties.

Pursuant to s. 125.0104(6), F.S., an ordinance enacted or renewed by a county levying a TDT shall not take effect until the ordinance levying and imposing the tax has been approved in a referendum held at a general election, as defined in s. 97.021, F.S., by a majority of the electors voting in such election in the county or by a majority of the electors voting in the subcounty special tax district affected by the tax. Furthermore, a referendum to reenact an expiring TDT must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax, and the referendum may appear on the ballot only once within the 48-month period.

##### Local Option Food and Beverage Taxes

Section 212.0306, F.S., authorizes any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] to impose two separate taxes by ordinance adopted by a majority vote of the county's governing body. A 2 percent tax may be imposed on the sale of food, beverages, and alcoholic beverages in hotels and motels. The proceeds are used for promoting the county and its constituent municipalities as a destination site for conventions, trade shows, and pleasure travel. With some exceptions, a 1 percent tax may be imposed on the sale of food, beverages, and alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels. Not less than 15 percent of the proceeds are used for construction and operation of domestic violence centers. The remainder is used for programs to assist the homeless or those about to become homeless.

Sales in those municipalities presently imposing the Municipal Resort Tax, as authorized by Chapter 67-930, L.O.F., (i.e., Bal Harbour, Miami Beach, and Surfside) are exempt from these taxes. However, the 1 percent tax may be levied if the municipality's governing body adopts an ordinance that is subsequently approved by a majority of voters voting in a referendum held at a general election as defined in s. 97.021, F.S. The tax would take effect on the first day of January following the general election in which the ordinance was approved. A referendum to reenact an expiring 1 percent tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax, and the referendum may appear on the ballot only once within the 48-month period.

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<sup>1</sup> Office of Economic and Demographic Research, *2025 Local Option Tourist / Food and Beverage / Tax Rates in Florida's Counties*, available at <https://edr.state.fl.us/Content/local-government/data/county-municipal/2025LOTTRates.pdf> (last updated 1/8/2025).



## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Local Taxes and Fees

**Issue:** Requires Certain Local Option Taxes to be Enacted or Reenacted in a Specified Manner

**Bill Number(s):** CS/HB 1221, CS/SB 1664

### **Local Discretionary Sales Surtaxes**

Nine separate local discretionary sales surtaxes (LDSSs), also known as local option sales taxes, are currently authorized in s. 212.055, F.S., and represent potential revenue sources for county governments generally. With particular surtax levies, municipal governments and school districts may receive all or some of the revenue proceeds. The use of the surtax proceeds varies according to the particular levy. The nine LDSSs, and the number of eligible counties levying as of December 2024,<sup>2</sup> are listed below.

1. Charter County and Regional Transportation System Surtax [s. 212.055(1), F.S.] – levied by 3 of 23 eligible counties.
2. Local Government Infrastructure Surtax [s. 212.055(2), F.S.] – levied by 27 of 67 eligible counties.
3. Small County Surtax [s. 212.055(3), F.S.] – levied by 30 of 31 eligible counties.
4. Indigent Care and Trauma Center Surtax [s. 212.055(4), F.S.] – levied by 1 of 66 eligible counties.
5. County Public Hospital Surtax [s. 212.055(5), F.S.] – levied by Miami-Dade County, the only eligible county.
6. School Capital Outlay Surtax [s. 212.055(6), F.S.] – levied by 31 of 67 eligible school districts.
7. Voter-Approved Indigent Care Surtax [s. 212.055(7), F.S.] – levied by 5 of 59 eligible counties.
8. Emergency Fire Rescue Services and Facilities Surtax [s. 212.055(8), F.S.] – levied by 2 of 65 eligible counties.
9. Pension Liability Surtax [s. 212.055(9), F.S.] – levied by none of the 27 eligible counties.

Pursuant to s. 212.055(10), F.S., a referendum to adopt, amend, or reenact a LDSS must be held at a general election as defined in s. 97.021. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### **b. Proposed Changes:**

#### **Tourist Development Taxes**

The bill would require that any TDT in effect on June 30, 2025, must be renewed by an ordinance approved in a referendum on or before January 1, 2033, in order to remain in effect after January 1, 2033. Any such referendum must be held at a general election, pursuant to the provisions of s. 125.0104(6), F.S. An ordinance to levy and impose a TDT expires eight years after the ordinance's effective date that is approved by referendum. The TDT may be renewed for subsequent eight-year periods, if each eight-year period is approved by the required referendum.

The bill would provide an exception to these eight-year renewal periods. A new or reenacted TDT may be levied for a term of no more than 30 years, if all three of the following conditions are met.

1. The TDT proceeds will be used for the purpose of servicing bond indebtedness.
2. The ordinance enacting a new TDT, or reenacting an existing TDT, specifies that the tax proceeds will be used for the purpose of servicing bond indebtedness; the maximum duration of such bond indebtedness, not to exceed 30 years; and provides specificity regarding what those purposes are.
3. The ballot referendum question specifies that the TDT proceeds will be used for the purpose of servicing bond indebtedness and includes a brief and general description of the purposes for which the indebtedness will be incurred.

Under the bill, the State would covenant with holders of bonds or other instruments of indebtedness issued by counties before July 1, 2025, that it will not impair or materially alter the rights of those holders or relieve counties of the duty to meet their obligations as a result of previous pledges or assignments entered into under s. 125.0104, F.S., as it existed before July 1, 2025. However, the proposed renewal provisions would not apply in any case in which the proceeds of a TDT levied on or before June 30, 2025, have been pledged to secure and liquidate revenue bonds or revenue refunding bonds, unless such bonds are retired before January 1, 2033. If the bonds are not retired before January 1, 2033, the proposed renewal provisions would apply as though January 1, 2033, were instead replaced with January 1 of the year following the retirement of such bonds.

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<sup>2</sup> Office of Economic and Demographic Research, *2025 Local Discretionary Sales Surtax Rates in Florida's Counties*, available at <https://edr.state.fl.us/Content/local-government/data/county-municipal/2025LDSSrates.pdf> (last updated 12/11/2024).

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Local Taxes and Fees

**Issue:** Requires Certain Local Option Taxes to be Enacted or Reenacted in a Specified Manner

**Bill Number(s):** CS/HB 1221, CS/SB 1664

### **Local Option Food and Beverage Taxes**

The bill would require that an ordinance, adopted by Bal Harbour, Miami Beach, or Surfside, which levies and imposes the 1 percent tax expires eight years after the effective date of the ordinance that is approved in a referendum. However, an ordinance may be reenacted for subsequent eight-year periods if each eight-year period is approved in referendum.

### **Local Discretionary Sales Surtaxes**

The bill would require that any LDSS in effect on June 30, 2025, which is required to be approved by voters in a referendum, must be renewed by an ordinance, or resolution, approved in a referendum on or before January 1, 2033, in order to remain in effect after January 1, 2033. Any such referendum must be held at a general election, pursuant to the provisions of s. 212.055(10), F.S. Except as provided in s. 212.055(4)(b), F.S., any new or reenacted LDSS levied on or after July 1, 2025, may not be levied for more than eight years unless reenacted by ordinance or resolution and approved by referendum held pursuant to s. 212.055(10), F.S.

Section 212.055(4)(b), F.S., authorizes non-consolidated counties having a population of less than 800,000 to levy a 0.25% Indigent Care and Trauma Center Surtax for the sole purpose of funding trauma services provided by a trauma center licensed under Chapter 395, F.S. Under current law, this surtax expires four years after its effective date, unless reenacted by ordinance and approved by voters in a subsequent referendum. This bill does not alter this surtax's four-year renewal period.

The bill would provide an exception to these eight-year renewal periods. A new or reenacted LDSS may be levied for a term of no more than 30 years, if all three of the following conditions are met.

1. The LDSS proceeds will be used for the purpose of servicing bond indebtedness.
2. The ordinance, or resolution, enacting a new LDSS, or reenacting an existing LDSS, specifies that the surtax proceeds will be used for the purpose of servicing bond indebtedness; the maximum duration of such bond indebtedness, not to exceed 30 years; and provides specificity regarding what those purposes are.
3. The ballot referendum question specifies that the LDSS proceeds will be used for the purpose of servicing bond indebtedness and includes a brief and general description of the purposes for which the indebtedness will be incurred and the maximum length of time the surtax may be imposed.

Under the bill, the State would covenant with holders of bonds or other instruments of indebtedness issued by counties or school boards before July 1, 2025, that it will not impair or materially alter the rights of those holders or relieve counties or school boards of the duty to meet their obligations as a result of previous pledges or assignments entered into under s. 212.055, F.S., as it existed before July 1, 2025. However, the proposed renewal provisions would not apply in any case in which the proceeds of a LDSS levied on or before June 30, 2025, have been pledged to secure and liquidate revenue bonds or revenue refunding bonds, unless such bonds are retired before January 1, 2033. If the bonds are not retired before January 1, 2033, the proposed renewal provisions would apply as though January 1, 2033, were instead replaced with January 1 of the year following the retirement of such bonds.

Finally, these limitations on surtax levy provisions do not apply to the enactment or reenactment of the Pension Liability Surtax, authorized pursuant to s. 212.055(9), F.S.

## **Section 2: Description of Data and Sources**

During the 2024-25 state fiscal year, the 62 counties levying a TDT will realize an estimated \$2.10 billion in revenue.<sup>3</sup> During the 2024-25 local fiscal year, the 60 county governments and 31 school districts levying one or more LDSSs will realize an estimated \$5.73 billion in revenue.<sup>4</sup>

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<sup>3</sup> Office of Economic and Demographic Research, *Local Option Tourist Tax Levies in Florida's Counties: Estimation of Realized and Unrealized Tax Revenues*, available at <https://edr.state.fl.us/Content/local-government/data/data-a-to-z/realizedtourism.xlsx> (last updated 1/8/2025).

<sup>4</sup> Office of Economic and Demographic Research, *Local Discretionary Sales Surtax Levies in Florida's Counties: Estimation of Realized and Unrealized Tax Revenues*, available at <https://edr.state.fl.us/Content/local-government/data/data-a-to-z/realizedsales.xlsx> (last updated 1/9/2025).

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Local Taxes and Fees

**Issue:** Requires Certain Local Option Taxes to be Enacted or Reenacted in a Specified Manner

**Bill Number(s):** CS/HB 1221, CS/SB 1664

**Section 3: Methodology (Include Assumptions and Attach Details)**

In recent years, the Revenue Estimating Conference (REC) has reviewed several bills, which have proposed limitations on local option tax levies.

Following the 2019 Regular Legislative Session, the REC considered CS/CS/HB 5 – Section 1 that would have required a referendum to adopt or amend a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. On June 5, 2019, the REC adopted an estimate of zero cash/zero recurring. The Conference reasoned that the requirement did not directly impact current baseline revenue forecasts because they were based on current law / current administration and did not contain assumptions regarding future surtax enactments. That legislation was later codified as Chapter 2019-64, L.O.F.

After the 2022 Regular Legislative Session, the REC considered CS/CS/HB 777 that would have required a referendum to adopt or amend several local taxes to be held at a general election as defined in s. 97.021, F.S. On June 1, 2022, the REC adopted an estimate of zero cash/zero recurring and stated that the Conference does not account for future changes in the enactment of these taxes in its baseline. That legislation was later codified as Chapter 2022-214, L.O.F.

Furthermore, during the 2023 Regular Legislative Session, the REC considered HB 7063 that would have required a referendum to enact or renew several local taxes to be held at a general election as defined in s. 97.021, F.S. On April 7, 2023, the REC adopted an estimate of zero cash/zero recurring and stated that the Conference does not account for future changes in the enactment of these taxes in its baseline. That legislation was later codified as Chapter 2023-157, L.O.F.

Although the bill would potentially limit local government flexibility in implementing and maintaining these revenue sources to fund community infrastructure and services, it does not limit the authority of county governments and school districts to raise revenues. The bill would not increase or decrease local revenues; it only shifts the timing of revenues collected from local levies that must be approved by voters in future referenda. Consequently, a proposed fiscal impact of zero cash/zero recurring is recommended.

**Section 4: Proposed Revenue Impact -**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			0.0	0.0		
2026-27			0.0	0.0		
2027-28			0.0	0.0		
2028-29			0.0	0.0		
2029-30			0.0	0.0		

**Revenue Distribution:** Local funds only

**Section 5: Consensus Estimate (Adopted: 03/21/2025)** The Conference adopted the proposed estimate. The Conference does not account for future changes in the enactment of these taxes in its baseline.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
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
2028-29	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2029-30	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Ad Valorem

**Issue:** Flight Simulator Deemed Owned by Government

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

**Entire Bill**

**Partial Bill:**

**Sponsor(s):**

**Month/Year Impact Begins:** January 2026

**Date(s) Conference Reviewed:** April 4, 2025

### Section 1: Narrative

a. **Current Law:** 196.012(6) indicates that:

*For purposes of determination of "ownership," buildings and other real property improvements which will revert to the airport authority or other governmental unit upon expiration of the term of the lease shall be deemed "owned" by the governmental unit and not the lessee.*

b. **Proposed Change:** The following language is added to 196.012(6):

Also, for the purposes of determination of "ownership under this section or s. 196.199(5)," flight training simulators certified by the Federal Aviation Administration, and the equipment and software necessary for the operation of such simulators, which will revert to a governmental unit upon the expiration of the term of the lease shall be deemed "owned" by the governmental unit and not the lessee, provided the governing body of the governmental units has approved the lease.

The language effectively creates a tangible personal property exemption for FAA certified flight simulators that are leased to private entities but revert to a government unit upon the lease's expiration, provided the governing body of the receiving unit approved the lease.

### Section 2: Description of Data and Sources

2024 Final NAL Real Property Tax Roll

Aggregate Millage based on Proposed Millages from Each Taxing Authority Provided in December 2024

Results of the Ad Valorem Estimating Conference, March 5, 2025

### Section 3: Methodology (Include Assumptions and Attach Details)

The TPP roll identifies properties by location and NAICS code. Code 611512 is used for Flight Training and is defined: "This U.S. industry comprises establishments primarily engaged in offering aviation and flight training. These establishments may offer vocational training, recreational training, or both." One specific property was identified as a flight simulator with a relevant lease agreement. It has a remaining taxable value of \$3.7m and a NAICS code of 336411, Aircraft Manufacturing. Additional flight simulators may be found in NAICS code 611699, representing all other miscellaneous schools and instruction.

Functionally identical language was [presented to the conference](#) on February 25, 2022. The methodology adopted is reproduced here as the middle.

The impact includes all of the known accounts, 10% of the remaining aircraft manufacturing naics code, 100% of the flight training naics code, and 10% of the remaining miscellaneous schools naics code as flight simulators. All of the known accounts are assumed to revert to government ownership upon expiration of the lease. Of the remaining, 10% are assumed to revert to government ownership upon expiration of a lease. This results in the high indicating 40 total relevant properties.

The 2024 aggregate millage rates are applied to the taxable value to produce school and non-school impacts, which are summed to the total impact of the bill. This is multiplied by 1.5 for consistency with the previously adopted impact. In the original impact, this value was grown using the County Taxable Value growth rate from the latest Ad Valorem Conference. The impact presented here uses the TPP growth rate from the latest conference. The bill first impacts the 2026 tax roll.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Flight Simulator Deemed Owned by Government

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

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			\$0	\$(0.9 M)		
2026-27			\$(1.0 M)	\$(1.0 M)		
2027-28			\$(1.0 M)	\$(1.0 M)		
2028-29			\$(1.0 M)	\$(1.0 M)		
2029-30			\$(1.1 M)	\$(1.1 M)		

**Revenue Distribution:**

Ad Valorem

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	0.0	0.0	0.0	0.0	(0.9)	0.0	(0.9)
2026-27	0.0	0.0	0.0	0.0	(0.9)	(0.9)	(0.9)	(0.9)
2027-28	0.0	0.0	0.0	0.0	(1.0)	(1.0)	(1.0)	(1.0)
2028-29	0.0	0.0	0.0	0.0	(1.1)	(1.1)	(1.1)	(1.1)
2029-30	0.0	0.0	0.0	0.0	(1.1)	(1.1)	(1.1)	(1.1)

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	(0.3)	0.0	(0.6)	0.0	(0.9)
2026-27	(0.3)	(0.3)	(0.6)	(0.6)	(0.9)	(0.9)
2027-28	(0.4)	(0.4)	(0.6)	(0.6)	(1.0)	(1.0)
2028-29	(0.4)	(0.4)	(0.7)	(0.7)	(1.1)	(1.1)
2029-30	(0.4)	(0.4)	(0.7)	(0.7)	(1.1)	(1.1)

Naics/Category	Count	naics_cd	tax_val	Naics Description
Known Accounts	2	336411 & 611512	\$ 12,489,228	
Remaining Aircraft Manufacturing	105	336411	\$ 193,947,919	This U.S. industry comprises establishments primarily engaged in one or more of the following: (1) manufacturing or assembling complete aircraft; (2) developing and making aircraft prototypes; (3) aircraft conversion (i.e., major modifications to systems); and (4) complete aircraft overhaul and rebuilding (i.e., periodic restoration of aircraft to original design specifications).
Flight Training	157	611512	\$ 214,795,006	This U.S. industry comprises establishments primarily engaged in offering aviation and flight training. These establishments may offer vocational training, recreational training, or both.
Remaining All Other Miscellaneous Schools and Instruction	2,124	611699	\$ 29,584,791	This U.S. industry comprises establishments primarily engaged in offering instruction (except academic schools, colleges, and universities; business, computer, and management instruction; technical and trade instruction; and fine arts, sports, recreation, language, exam preparation, tutoring, and automobile driving instruction).
School Millage:	5.90			
Non-School Millage:	10.46			
<b>Growth Rates</b>	<b>TPP Growth</b>	<b>County Taxable Value</b>		
2025	4.02%	7.79%		
2026	4.02%	7.31%		
2027	4.02%	6.54%		
2028	4.02%	5.87%		
2029	4.01%	5.73%		
2030	4.01%	5.52%		
<b>Share 1 - Share that are Flight Simulators</b>		<b>Properties Implied by Share 1:</b>		
Known Accounts	100%	2		
Remaining Aircraft Manufacturing	10%	11		
Flight Training	100%	157		
Remaining All Other Miscellaneous Schools and Instruction	10%	212		
<b>Share 2 - Share that Revert to Government Ownership</b>		<b>Remaining Properties Implied by Share1 &amp; 2:</b>		
Known Accounts	100%	2		
Remaining Aircraft Manufacturing	10%	1		
Flight Training	10%	16		
Remaining All Other Miscellaneous Schools and Instruction	10%	21		
<b>Total:</b>		40		

	24-25	\$	54,306,084				
	Multiplier:		1.5	<a href="http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2022/pdf/page557-560.pdf">http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2022/pdf/page557-560.pdf</a>			
	Maximum Impact:	\$	7,376,402				
<b>Impact on School</b>							
		High		Middle		Low	
		Cash	Recurring	Cash	Recurring	Cash	Recurring
	2025-26			\$0	\$(0.3 M)		
	2026-27			\$(0.3 M)	\$(0.3 M)		
	2027-28			\$(0.4 M)	\$(0.4 M)		
	2028-29			\$(0.4 M)	\$(0.4 M)		
	2029-30			\$(0.4 M)	\$(0.4 M)		
<b>Impact on Non-School</b>							
		High		Middle		Low	
		Cash	Recurring	Cash	Recurring	Cash	Recurring
	2025-26			\$0	\$(0.6 M)		
	2026-27			\$(0.6 M)	\$(0.6 M)		
	2027-28			\$(0.6 M)	\$(0.6 M)		
	2028-29			\$(0.7 M)	\$(0.7 M)		
	2029-30			\$(0.7 M)	\$(0.7 M)		
<b>Total Impact</b>							
		High		Middle		Low	
		Cash	Recurring	Cash	Recurring	Cash	Recurring
	2025-26			\$0	\$(0.9 M)		
	2026-27			\$(1.0 M)	\$(1.0 M)		
	2027-28			\$(1.0 M)	\$(1.0 M)		
	2028-29			\$(1.0 M)	\$(1.0 M)		
	2029-30			\$(1.1 M)	\$(1.1 M)		

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Ad Valorem

**Issue:** Modify Long Term Low Income Immediate Exemption

**Bill Number(s):** HB923

**Entire Bill**

**Partial Bill:** Sections 1 and 12 (Lines 96-116, 453-501)

**Sponsor(s):** Representative Lopez

**Month/Year Impact Begins:** January 1<sup>st</sup>, 2026

**Date(s) Conference Reviewed:** March 7<sup>th</sup>, 2025; March 17<sup>th</sup>, 2025; March 28<sup>th</sup>, 2025; April 4<sup>th</sup>, 2025

### Section 1: Narrative

- a. **Current Law:** 196.1978(4) provides a property tax exemption for certain affordable housing properties subject to an agreement with the Florida Housing Finance Corporation and more than 70 units and built (as a new improvement) within 2 years before applying for the exemption. There is a penalty for ceasing to provide affordable housing that is the amount financed by the corporation multiplied by the remaining years of the agreement.
- b. **Proposed Change:** 196.1978(4) becomes 196.1978(5) and is modified to allow for the agreement to be with a local housing finance authority, changes the minimum qualification from 71 units to 1 unit, adds the ability for a non-residential structure to be converted to affordable housing (rather than built as a new improvement), and changes the penalty to no longer repay the financing, but rather pay back the value of the ad valorem tax exemption received to date.

### Section 2: Description of Data and Sources

2024 Final NAL Real Property Tax Roll

Aggregate Millage based on Proposed Millages from Each Taxing Authority Provided in December 2024

Results of the Ad Valorem Estimating Conference, March 5, 2025

Data provided by the Florida Housing Finance Corporation

### Section 3: Methodology (Include Assumptions and Attach Details)

The below methodology only estimates the impact on affordable housing properties with less than 71 affordable units. This is then added to the impact adopted for 71 units or more from a [prior impact conference](#).

The exemption in this subsection does not go into effect until January of 2026. The Florida Housing Finance Corporation provided data on properties with land use restriction agreements. This includes agreements with local authorities and properties that are under agreement but in the pipeline, currently starting the lease-up process, or fully active. The impact considers all as they represent real properties that are coming online, however, the exemption would only apply to those in the active status. Between 2022 and 2024, the average share of units rented at the required affordable level is 88.5 percent. While the underlying data includes properties with 1 to 70 affordable units, there are very few. The number of properties each year is shared up by some potential for unaccounted for local finance authority agreements and an assumed 5 percent for adaptive reuse. On average, 3.7 percent of multifamily parcels with 10 or more units undergo new construction. This is used to proxy the “new improvement where an old improvement was removed” language. The share with 99-year agreements is assumed to be 95 percent, as the greatly reduced penalty makes backing out of agreements simpler<sup>1</sup>.

Properties on the 2024 tax roll in use codes 3 and 8 (multifamily 10+ and less than 10) built within the last 2 years are identified. The average just value is calculated for the 1,298 properties with a unit count that is less than 71. The average just value per property is grown forward using the non-homestead residential just value growth rate from the latest ad valorem conference. Each year it is multiplied by the expected new properties each year, the share with a 99-year agreement, the average share of units rented at the required affordable level, and the share-up for new construction over old property. The first year is further increased to account for the fact that it spans an additional catch-up period for properties between 1 and 2 years. Cohorts are created as there will be a new set of exempt properties applying each year. The 6<sup>th</sup> year cash estimate is used as the recurring. The bill first impacts the 2026 tax roll.

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<sup>1</sup> This assumes that the language “total value of the ad valorem tax exemption received” means the tax savings due to that tax exemption. If it means the value of the exemption, backing out is still quite difficult. For example, if a property receives a \$10m exemption, this results in a tax savings of around \$164k. If the “total value of the ad valorem tax exemption received” is \$164k, this amount saved is easy to repay. If the “total value of the ad valorem tax exemption received” is \$10m, repaying this is much more onerous.



**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Modify Long Term Low Income Immediate Exemption

**Bill Number(s):** HB923

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			\$0	\$(387.8 M)		
2026-27			\$(125.2 M)	\$(387.8 M)		
2027-28			\$(182.7 M)	\$(387.8 M)		
2028-29			\$(245.1 M)	\$(387.8 M)		
2029-30			\$(313.3 M)	\$(387.8 M)		

**Revenue Distribution:** Ad Valorem

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	0.0	0.0	0.0	0.0	(387.8)	0.0	(387.8)
2026-27	0.0	0.0	0.0	0.0	(125.2)	(387.8)	(125.2)	(387.8)
2027-28	0.0	0.0	0.0	0.0	(182.7)	(387.8)	(182.7)	(387.8)
2028-29	0.0	0.0	0.0	0.0	(245.2)	(387.8)	(245.2)	(387.8)
2029-30	0.0	0.0	0.0	0.0	(313.3)	(387.8)	(313.3)	(387.8)

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	(140.3)	0.0	(247.5)	0.0	(387.8)
2026-27	(45.3)	(140.3)	(79.9)	(247.5)	(125.2)	(387.8)
2027-28	(66.1)	(140.3)	(116.6)	(247.5)	(182.7)	(387.8)
2028-29	(88.7)	(140.3)	(156.5)	(247.5)	(245.2)	(387.8)
2029-30	(113.3)	(140.3)	(200.0)	(247.5)	(313.3)	(387.8)

	A	B	C	D	E	F	G
1	<b>School Impact</b>						
2		High		Middle		Low	
3		Cash	Recurring	Cash	Recurring	Cash	Recurring
4	2025-26			\$0	\$(140.3 M)		
5	2026-27			\$(45.3 M)	\$(140.3 M)		
6	2027-28			\$(66.1 M)	\$(140.3 M)		
7	2028-29			\$(88.7 M)	\$(140.3 M)		
8	2029-30			\$(113.3 M)	\$(140.3 M)		
9							
10	<b>Non-School Impact</b>						
11		High		Middle		Low	
12		Cash	Recurring	Cash	Recurring	Cash	Recurring
13	2025-26			\$0	\$(247.5 M)		
14	2026-27			\$(79.9 M)	\$(247.5 M)		
15	2027-28			\$(116.6 M)	\$(247.5 M)		
16	2028-29			\$(156.5 M)	\$(247.5 M)		
17	2029-30			\$(200.0 M)	\$(247.5 M)		
18							
19	<b>Total Impact</b>						
20		High		Middle		Low	
21		Cash	Recurring	Cash	Recurring	Cash	Recurring
22	2025-26			\$0	\$(387.8 M)		
23	2026-27			\$(125.2 M)	\$(387.8 M)		
24	2027-28			\$(182.7 M)	\$(387.8 M)		
25	2028-29			\$(245.1 M)	\$(387.8 M)		
26	2029-30			\$(313.3 M)	\$(387.8 M)		

	A	B	C	D	E	F	G
1	<b>2025 Aggregate Millage Rates</b>						
2	School	5.9037					
3	Non-School	10.4586					
4							
5	<b>Historical - FHFC Data</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>			
6	Pipeline	5	5	9			
7	Lease-Up	1	0	0			
8	Active	1	0	0			
9	<b>Assumption</b>	<b>All</b>					
10	Count	7	5	9			
11	Units <=80% Income	400	238	371			
12	Share of Units <=80% Income	100.0%	100.0%	65.6%			
13							
14	<b>Properties Built in the Last 2-years with 1 to 70 Units</b>	<b>2024 Just Value</b>					
15	Minimum	\$	66,012				
16	Maximum	\$	74,025,800				
17	Mean	\$	1,234,424				
18	Median	\$	405,921				
19							
20	<b>Assumptions</b>						
21	New Properties Each Year		48				
22	Date of First Applications		7/1/2025				
23	First Year Includes Built After		7/1/2023				
24	First Year Multiplier		2.5				
25	Annual Share Up for New Construction on Older Properties		103.7%				
26	Share of Units <=80% Income		88.5%				
27	Share with 99 Year Agreement		95.0%				
28	Mean Value Per Property	\$	1,234,424				
29	Share up: Additional Local Financing		0.0%				
30	Share up for adaptive reuse:		5.0%				
31	Total Properties Each Year		50				
32							
33	<b>Roll Year</b>	<b>Non-Homestead Res. JV</b>	<b>Growth</b>	<b>Value Per Property</b>			
34	2024	\$	1,320,178		\$	1,234,424	
35	2025	\$	1,370,944	3.85%	\$	1,281,892	
36	2026	\$	1,429,994	4.31%	\$	1,337,106	
37	2027	\$	1,491,304	4.29%	\$	1,394,435	
38	2028	\$	1,556,620	4.38%	\$	1,455,507	
39	2029	\$	1,628,288	4.60%	\$	1,522,520	
40	2030	\$	1,705,479	4.74%	\$	1,594,698	
41							
42	<b>Cohort</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>Total</b>
43	2026	\$	147,201,260				\$ 147,201,260
44	2027	\$	153,512,496	\$ 61,262,430			\$ 214,774,926
45	2028	\$	160,235,975	\$ 63,945,578	\$ 63,945,578		\$ 288,127,131
46	2029	\$	167,613,381	\$ 66,889,688	\$ 66,889,688	\$ 66,889,688	\$ 368,282,446
47	2030	\$	175,559,328	\$ 70,060,688	\$ 70,060,688	\$ 70,060,688	\$ 455,802,080
48							

	A	B	C	D	E	F	G
49	<b>School Impact</b>						
50		High		Middle		Low	
51		Cash	Recurring	Cash	Recurring	Cash	Recurring
52	2025-26			\$0	\$(2.7 M)		
53	2026-27			\$(0.9 M)	\$(2.7 M)		
54	2027-28			\$(1.3 M)	\$(2.7 M)		
55	2028-29			\$(1.7 M)	\$(2.7 M)		
56	2029-30			\$(2.2 M)	\$(2.7 M)		
57							
58	<b>Non-School Impact</b>						
59		High		Middle		Low	
60		Cash	Recurring	Cash	Recurring	Cash	Recurring
61	2025-26			\$0	\$(4.8 M)		
62	2026-27			\$(1.5 M)	\$(4.8 M)		
63	2027-28			\$(2.2 M)	\$(4.8 M)		
64	2028-29			\$(3.0 M)	\$(4.8 M)		
65	2029-30			\$(3.9 M)	\$(4.8 M)		
66							
67	<b>Total Impact</b>						
68		High		Middle		Low	
69		Cash	Recurring	Cash	Recurring	Cash	Recurring
70	2025-26			\$0	\$(7.5 M)		
71	2026-27			\$(2.4 M)	\$(7.5 M)		
72	2027-28			\$(3.5 M)	\$(7.5 M)		
73	2028-29			\$(4.7 M)	\$(7.5 M)		
74	2029-30			\$(6.0 M)	\$(7.5 M)		

	A	B	C	D	E	F	G
1	<b>2025 Aggregate Millage Rates</b>						
2	School	5.9037					
3	Non-School	10.4586					
4							
5	<b>Historical - FHFC Data</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>			
6	Pipeline	27	40	45			
7	Lease-Up	17	9	4			
8	Active	22	8	7			
9	<b>Assumption</b>	<b>All</b>					
10	Count	66	57	56			
11	Units <=80% Income	10,898	7,698	7,970			
12	Share of Units <=80% Income	96.2%	96.8%	95.9%			
13							
14	<b>Other Exemption to Use:</b>	Missing Middle					
15							
16	<b>Other Exemption Properties</b>	<b>2024 Just Value</b>					
17	Mean	\$ 47,271,253					
18	Median	\$ 45,944,395					
19							
20	<b>Assumptions</b>						
21	New Properties Each Year	60					
22	Date of First Applications	7/1/2025					
23	<i>First Year Includes Built After</i>	7/1/2023					
24	<i>First Year Multiplier</i>	2.5					
25	Annual Share Up for New Construction on Older Properties	103.7%					
26	Share of Units <=80% Income	96.3%					
27	Share with 99 Year Agreement	95.0%					
28	Median Value Per Property	\$ 45,944,395					
29	Share up: Additional Local Financing	0.0%					
30	Share up for adaptive reuse:	5.0%					
31	Total Properties Each Year	63					
32							
33	<b>Roll Year</b>	<b>Non-Homestead Res. JV</b>	<b>Growth</b>	<b>Value Per Property</b>			
34	2024	\$ 1,320,178		\$ 45,944,395			
35	2025	\$ 1,370,944	3.85%	\$ 47,711,139			
36	2026	\$ 1,429,994	4.31%	\$ 49,766,174			
37	2027	\$ 1,491,304	4.29%	\$ 51,899,892			
38	2028	\$ 1,556,620	4.38%	\$ 54,172,983			
39	2029	\$ 1,628,288	4.60%	\$ 56,667,155			
40	2030	\$ 1,705,479	4.74%	\$ 59,353,541			
41							
42	<b>Cohort</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>Total</b>
43	2026	\$ 7,413,004,504					\$ 7,413,004,504
44	2027	\$ 7,730,836,174	\$ 3,085,154,780				\$ 10,815,990,955
45	2028	\$ 8,069,428,279	\$ 3,220,277,169	\$ 3,220,277,169			\$ 14,509,982,618
46	2029	\$ 8,440,951,850	\$ 3,368,541,561	\$ 3,368,541,561	\$ 3,368,541,561		\$ 18,546,576,532
47	2030	\$ 8,841,107,017	\$ 3,528,232,000	\$ 3,528,232,000	\$ 3,528,232,000	\$ 3,528,232,000	\$ 22,954,035,016
48							

	A	B	C	D	E	F	G
49	<b>School Impact</b>						
50		High		Middle		Low	
51		Cash	Recurring	Cash	Recurring	Cash	Recurring
52	2025-26			\$0	\$(135.5 M)		
53	2026-27			\$(43.8 M)	\$(135.5 M)		
54	2027-28			\$(63.9 M)	\$(135.5 M)		
55	2028-29			\$(85.7 M)	\$(135.5 M)		
56	2029-30			\$(109.5 M)	\$(135.5 M)		
57							
58	<b>Non-School Impact</b>						
59		High		Middle		Low	
60		Cash	Recurring	Cash	Recurring	Cash	Recurring
61	2025-26			\$0	\$(240.1 M)		
62	2026-27			\$(77.5 M)	\$(240.1 M)		
63	2027-28			\$(113.1 M)	\$(240.1 M)		
64	2028-29			\$(151.8 M)	\$(240.1 M)		
65	2029-30			\$(194.0 M)	\$(240.1 M)		
66							
67	<b>Total Impact</b>						
68		High		Middle		Low	
69		Cash	Recurring	Cash	Recurring	Cash	Recurring
70	2025-26			\$0	\$(375.6 M)		
71	2026-27			\$(121.3 M)	\$(375.6 M)		
72	2027-28			\$(177.0 M)	\$(375.6 M)		
73	2028-29			\$(237.4 M)	\$(375.6 M)		
74	2029-30			\$(303.5 M)	\$(375.6 M)		

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Child Care Facilities

**Bill Number(s):** SB 1306

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator Calatayud

**Month/Year Impact Begins:** July 1<sup>st</sup>, 2025

**Date(s) Conference Reviewed:** April 4<sup>th</sup>, 2025

**Section 1: Narrative**

- a. **Current Law:** Section 196.198 of the F.S. lays out provisions regarding ad valorem taxation of educational property. Gold Seal care facilities are exempt from ad valorem taxation if the facility owns the property.
- b. **Proposed Change:** Amends the Statutes to exempt the portion of properties that are Gold Seal Quality childcare facilities from ad valorem taxation, regardless of whether the property is owned or leased.

**Section 2: Description of Data and Sources**

Gold Seal Quality Data, *The Children’s Forum*

2025 Aggregate Statewide Millage Rates

2024 Final NAL Property Roll

2025 Ad Valorem Revenue Estimating Conference

**Section 3: Methodology (Include Assumptions and Attach Details)**

The Gold Seal Quality Care (Gold Seal) program was established in 1996 to acknowledge childcare facilities and family day care homes that have gone above the required minimum licensing standards to become accredited by recognized agencies whose standards reflect quality in the level of care and supervision provided to children.

Under section 1002.945 of F.S., the portion of the parcel owned and used as childcare facilities that have achieved Gold Seal Quality Status are exempt from ad valorem taxation. This language extends this exemption to facilities belonging to lessors who do not own the property on which the facility is situated.

A list of 1,914 Gold Seal facilities was used to match the address of these facilities to the 2024 NAL Property Roll by address. Of which, 956 were matched and the median amount claimed under this exemption was \$948,235. Only 242 of these parcels had not claimed this exemption but also had taxable value greater than zero. The greater of the remaining taxable value and the median exemption amount of the parcels was totaled for school and non-school to arrive at an impact amount. This was then multiplied by the aggregate millage rates and forecasted using the non-residential taxable value growth rates from the 2025 Ad Valorem Estimating conference.

It is important to note that the report is updated daily and that out of the 1,914 Gold Seal facilities, 155 of them were family day cares without an address listed and thus could not be included in the match. Thus, the low only encompasses the impact amount of the matched parcels while the high uses a gross-up factor to account for the unmatched parcels.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$(5.5 M)	\$(5.5 M)			\$(2.8 M)	\$(2.8 M)
2026-27	\$(5.9 M)	\$(5.9 M)			\$(2.9 M)	\$(2.9 M)
2027-28	\$(6.1 M)	\$(6.1 M)			\$(3.1 M)	\$(3.1 M)
2028-29	\$(6.4 M)	\$(6.4 M)			\$(3.2 M)	\$(3.2 M)
2029-30	\$(6.8 M)	\$(6.8 M)			\$(3.4 M)	\$(3.4 M)

**Revenue Distribution:** Ad valorem

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Child Care Facilities

**Bill Number(s):** SB 1306

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted an average of the high and low estimates.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	0.0	0.0	0.0	(4.1)	(4.1)	(4.1)	(4.1)
2026-27	0.0	0.0	0.0	0.0	(4.4)	(4.4)	(4.4)	(4.4)
2027-28	0.0	0.0	0.0	0.0	(4.6)	(4.6)	(4.6)	(4.6)
2028-29	0.0	0.0	0.0	0.0	(4.8)	(4.8)	(4.8)	(4.8)
2029-30	0.0	0.0	0.0	0.0	(5.1)	(5.1)	(5.1)	(5.1)

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(1.5)	(1.5)	(2.6)	(2.6)	(4.1)	(4.1)
2026-27	(1.6)	(1.6)	(2.8)	(2.8)	(4.4)	(4.4)
2027-28	(1.6)	(1.6)	(3.0)	(3.0)	(4.6)	(4.6)
2028-29	(1.7)	(1.7)	(3.1)	(3.1)	(4.8)	(4.8)
2029-30	(1.8)	(1.8)	(3.3)	(3.3)	(5.1)	(5.1)



2025 Aggregate Millage Rates

School	5.904
Non-School	10.459

Gold Quality Seal

Count	Matched	Without Exemption	Total Taxable SD	Total Taxable NSD	Median Exemption
1,914	956	242	\$ 163,320,722	\$ 157,980,042	\$ 948,235

Non-Residential Taxable Value Growth Rates

Year	School	Non-School	Gross-Up Factor
2024	6.41%	8.27%	100.2%
2025	3.98%	6.68%	
2026	4.41%	6.40%	
2027	4.32%	5.34%	
2028	4.54%	5.19%	
2029	4.53%	4.94%	
2030	4.55%	4.83%	

3/25 Ad Valorem Estimating Conference

Impact on School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$(2.0 M)	\$(2.0 M)			\$(1.0 M)	\$(1.0 M)
2026-27	\$(2.1 M)	\$(2.1 M)			\$(1.0 M)	\$(1.0 M)
2027-28	\$(2.2 M)	\$(2.2 M)			\$(1.1 M)	\$(1.1 M)
2028-29	\$(2.3 M)	\$(2.3 M)			\$(1.1 M)	\$(1.1 M)
2029-30	\$(2.4 M)	\$(2.4 M)			\$(1.2 M)	\$(1.2 M)

Impact on Non-School

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$(3.5 M)	\$(3.5 M)			\$(1.8 M)	\$(1.8 M)
2026-27	\$(3.8 M)	\$(3.8 M)			\$(1.9 M)	\$(1.9 M)
2027-28	\$(4.0 M)	\$(4.0 M)			\$(2.0 M)	\$(2.0 M)
2028-29	\$(4.2 M)	\$(4.2 M)			\$(2.1 M)	\$(2.1 M)
2029-30	\$(4.4 M)	\$(4.4 M)			\$(2.2 M)	\$(2.2 M)

Total Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$(5.5 M)	\$(5.5 M)			\$(2.8 M)	\$(2.8 M)
2026-27	\$(5.9 M)	\$(5.9 M)			\$(2.9 M)	\$(2.9 M)
2027-28	\$(6.1 M)	\$(6.1 M)			\$(3.1 M)	\$(3.1 M)
2028-29	\$(6.4 M)	\$(6.4 M)			\$(3.2 M)	\$(3.2 M)
2029-30	\$(6.8 M)	\$(6.8 M)			\$(3.4 M)	\$(3.4 M)

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Ad Valorem

**Issue:** Assessment of Homestead Property

**Bill Number(s):** CS/SB 176, CS/HB 1041

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator DiCeglie, Representative Berfield

**Month/Year Impact Begins:** January 1<sup>st</sup>, 2027

**Date(s) Conference Reviewed:** April 4<sup>th</sup>, 2025

### Section 1: Narrative

- a. Current Law:** Homestead properties are assessed at just value under section 193.155 of the Florida Statutes. Any changes to the property must be assessed at just value on the first January 1<sup>st</sup> after the additions are completed. In case construction was done to replace damage or destruction caused by calamity, the assessment will be calculated using the assessed value prior to the date on which the damage was sustained, provided that the square footage of the homestead with improvements does not exceed 110% of its prior area or does not exceed a total of 1500 square feet.
- b. Proposed Change:** In the event of calamity damage prevention and/or mitigation, all homestead properties that are elevated in compliance with the regulations from the National Flood Insurance Program or Florida building code will be assessed at the property's assessed value as of January 1 in the year prior to the addition of the elevation improvements; provided that the elevated property does not exceed 110% of its prior square footage or exceed a total of 2,000 square feet. In the case that the additions cause the homestead to exceed 110% of its preexisting area or a total of 2,000 square feet, the assessed value of the property must be increased by the just value of the elevation improvements.

### Section 2: Description of Data and Sources

FEMA NFIP 2024 Florida Policies by County

FEMA NFIP 2024 Florida Policies by Flood Zone

2024 Final NAL Real Property Tax Roll

Aggregate Millage based on Proposed Millages from Each Taxing Authority Provided in December 2024

Results of the Ad Valorem Estimating Conference, March 5, 2025

Bay and Gulf County Hurricane Michael Reconstruction Statistics, *Property Tax Oversight*

### Section 3: Methodology (Include Assumptions and Attach Details)

#### *Voluntary Elevation*

FEMA's National Flood Insurance Program is a federal program enabling property owners in participating communities to purchase flood insurance as protection against flood losses while requiring state and local governments to enforce floodplain management ordinances that aim to reduce flood damage. Since law prohibits federally regulated insurance agencies from covering properties on floodplains (Special Flood Hazard Areas, or SFHAs) without flood insurance coverage, the Florida NFIP policy counts were used as a reasonable proxy for the number of parcels situated in flood zones. Data regarding private insurers is limited and assumed to consist of a small portion of the market.

Currently there are 1.79 million NFIP policies in Florida, out of which 1.2 million (69.6%) are in SFHAs. The 2024 NAL property roll was used to calculate the share of single-family, mobile, condominiums, and small-multi family homestead properties at the county level in order to estimate the share of flood insurance policies among these residential property types. Counties were classified as coastal or inland, and it was assumed that 1.5% and 0.25% of coastal and inland parcels would choose to elevate their homesteads under this language.

The average square feet of each residential property type were acquired through discussion with Property Appraisers who reported that the most common value for these elevation additions in single and multi-family homes were \$15, \$30, \$60 per square foot. To account for changes in construction costs across the years, the median value for elevation improvements for single and multi-family homes was assumed to be \$45. These values were used to estimate the high, middle, and low taxable values. Condos were assumed to have an additional value of \$52 per square foot. Furthermore, the Conference previously assumed that the mobile home participation rate would be 0% and thus the impact reflects the same.

Assuming that each year, an additional 1.5% of homestead property owners would choose to elevate their property, four cohorts were created for each year to capture the differential. The taxable value of the elevations for each property type

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Assessment of Homestead Property

**Bill Number(s):** CS/SB 176, CS/HB 1041

were multiplied by the number of estimated participants in the cohort as well as the aggregate millage rates to arrive at the 2027 impact. For the subsequent years, the taxable value from the elevations of the additional participants was added to the prior year’s impact increased by the Save our Homes growth rates from the 2025 Ad Valorem Estimating Conference.

**2000sqft Addition**

Under both current and proposed law, homesteads that are reconstructed to be less than 110% of their prior area will be assessed using their assessed value prior to the construction, regardless of the homestead’s square footage. Thus, the impact only applies to homesteads that exceeded the 110% of its prior square footage.

When looking at homesteads in Bay and Gulf counties in the wake of Hurricane Michael in 2018, there were 1,209 parcels that were damaged and were reconstructed to be over 1,500ft<sup>2</sup> that also exceeded 110% of their prior area. This was used to calculate the impact of the leeway afforded to the parcels that were previously in excess to arrive at a school and non-school taxable impact of \$10,667 and \$8,939 respectively.

The total impact of this bill, were it implemented in 2018, is \$19,606. Traditionally, hurricanes and calamities are not predicted; hence, the impact of this particular provision in the bill is zero/negative indeterminant.

The implementing bill goes into effect in 2027. The impact of the implementing bill to the constitutional amendment is zero/negative indeterminant due to the requirement for a statewide referendum. The impact is zero if the constitutional amendment fails to pass and the below table if it passes.

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$0	\$(157.2 M)	\$0	\$(123.6 M)	\$0	\$(50.5 M)
2026-27	\$0	\$(157.2 M)	\$0	\$(123.6 M)	\$0	\$(50.5 M)
2027-28	\$(37.8 M)	\$(157.2 M)	\$(29.8 M)	\$(123.6 M)	\$(12.2 M)	\$(50.5 M)
2028-29	\$(76.6 M)	\$(157.2 M)	\$(60.5 M)	\$(123.6 M)	\$(24.6 M)	\$(50.5 M)
2029-30	\$(116.4 M)	\$(157.2 M)	\$(91.8 M)	\$(123.6 M)	\$(37.4 M)	\$(50.5 M)

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			\$0	(0/**)		
2026-27			\$0	(0/**)		
2027-28			(0/**)	(0/**)		
2028-29			(0/**)	(0/**)		
2029-30			(0/**)	(0/**)		

**Revenue Distribution:** Ad Valorem

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The impact of the implementing bill to the constitutional amendment is zero/negative indeterminate due to the requirement for a statewide referendum.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	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/**)
2027-28	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2028-29	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)
2029-30	0.0	0.0	0.0	0.0	(0/**)	(0/**)	(0/**)	(0/**)

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Ad Valorem

**Issue:** Assessment of Homestead Property

**Bill Number(s):** CS/SB 176, CS/HB 1041

If the constitutional amendment does not pass, the impact is zero. If approved, the Conference adopted the following impact:

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	(44.6)	0.0	(79.0)	0.0	(123.6)
2026-27	0.0	(44.6)	0.0	(79.0)	0.0	(123.6)
2027-28	(10.8)	(44.6)	(19.1)	(79.0)	(29.9)	(123.6)
2028-29	(21.8)	(44.6)	(38.6)	(79.0)	(60.4)	(123.6)
2029-30	(33.1)	(44.6)	(58.7)	(79.0)	(91.8)	(123.6)

	A	B	C	D	E	F	G	H	I	
1										
2	2025 Statewide Aggregate Millage Rates									
3	School		5.9037							
4	Non-School		10.4586							
5										
6	<i>Total Number of Eligible Parcels (from County Parcels and Policies)</i>									
7		Single Family	Mobile Home	Condo	Multi-Family	Total	% of total policyholders affected by flooding			
8	Coastal	1,337,801	40,058	326,360	16,418	1,720,637				
9	Inland	62,653	5,809	2,056	225	70,743		100.0%		
10	Total	1,400,454	45,866	328,416	16,643	1,791,380				
11										
12	<i>Percent of Annual Elevations</i>									
13		Single Family	Mobile Home	Condo	Multi-Family					
14	Coastal	1.50%	0.00%	1.50%	1.50%					
15	Inland	0.25%	0.00%	0.25%	0.25%					
16										
17	<i>Estimated Cohort of Annual Elevations</i>									
18		Single Family	Mobile Home	Condo	Multi-Family	YoY % increase in participants				
19	2027	20,224	-	4,901	247					
20	2028	20,527	-	4,974	251		1.5%			
21	2029	20,835	-	5,049	254					
22	2030	21,147	-	5,124	258					
23										
24	<i>Additional value of added square feet - Per Parcel</i>									
25		Average Sqft	High	Middle	Low					
26	Single Family	1,700	\$ 60	\$ 45	\$ 15					
27			\$ 102,000	\$ 76,500	\$ 25,500					
28	Mobile Home	1,200	\$ -	\$ -	\$ -					
29			\$ -	\$ -	\$ -					
30	Condo	1,000	\$ 45	\$ 52	\$ 45					
31			\$ 45,000	\$ 52,000	\$ 45,000					
32	Multi-Family	2,000	\$ 60	\$ 45	\$ 15					
33			\$ 120,000	\$ 90,000	\$ 30,000					
34										
35	<i>Total Additional Taxable Value - Annual</i>									
36	<u>2027</u>	High	Middle	Low						
37	Single Family	\$ 2,062,811,407	\$ 1,547,108,555	\$ 515,702,852						
38	Mobile Home	\$ -	\$ -	\$ -						
39	Condo	\$ 220,524,574	\$ 254,828,397	\$ 220,524,574						
40	Multi-Family	\$ 29,620,268	\$ 22,215,201	\$ 7,405,067						
41	Total	\$ 2,312,956,249	\$ 1,824,152,153	\$ 743,632,493						
42										
43	<i>Total Additional Taxable Value - Annual</i>									
44	<u>2028</u>	High	Middle	Low						
45	Single Family	\$ 2,093,753,578	\$ 1,570,315,183	\$ 523,438,394						
46	Mobile Home	\$ -	\$ -	\$ -						
47	Condo	\$ 223,832,443	\$ 258,650,822	\$ 223,832,443						
48	Multi-Family	\$ 30,064,572	\$ 22,548,429	\$ 7,516,143						
49	Total	\$ 2,347,650,592	\$ 1,851,514,435	\$ 754,786,980						
50										
51	<i>Total Additional Taxable Value - Annual</i>									
52	<u>2029</u>	High	Middle	Low						
53	Single Family	\$ 2,125,159,881	\$ 1,593,869,911	\$ 531,289,970						
54	Mobile Home	\$ -	\$ -	\$ -						
55	Condo	\$ 227,189,929	\$ 262,530,585	\$ 227,189,929						
56	Multi-Family	\$ 30,515,541	\$ 22,886,655	\$ 7,628,885						
57	Total	\$ 2,382,865,351	\$ 1,879,287,151	\$ 766,108,785						
58										
59										

	A	B	C	D	E	F	G	H	I
60									
61	<i>Year over Year Save Our Homes Growth Rates</i>								
62	Year	Rates							
63	2025	1.0290%							
64	2026	1.0299%							
65	2027	1.0308%							
66	2028	1.0317%							
67	2029	1.0326%							
68	2030	1.0335%							
69	<i>3/25 Ad Valorem Estimating Conference</i>								
70									
71	<i>High</i>								
72		2027 Cohort	2028 Cohort	2029 Cohort	2030 Cohort	Total			
73	2027	\$ 2,312,956,249	-	-		\$ 2,312,956,249			
74	2028	\$ 2,336,819,018	\$ 2,347,650,592	-		\$ 4,684,469,610			
75	2029	\$ 2,360,949,011	\$ 2,371,892,432	\$ 2,382,865,351		\$ 7,115,706,795			
76	2030	\$ 2,385,349,419	\$ 2,396,405,941	\$ 2,407,492,265	\$ 2,418,608,331	\$ 9,607,855,956			
77									
78	<i>Middle</i>								
79		2027 Cohort	2028 Cohort	2029 Cohort	2030 Cohort	Total			
80	2027	\$ 1,824,152,153	-	-		\$ 1,824,152,153			
81	2028	\$ 1,842,971,930	\$ 1,851,514,435	-		\$ 3,694,486,365			
82	2029	\$ 1,862,002,458	\$ 1,870,633,173	\$ 1,879,287,151		\$ 5,611,922,783			
83	2030	\$ 1,881,246,254	\$ 1,889,966,167	\$ 1,898,709,584	\$ 1,884,336,761	\$ 7,554,258,766			
84									
85	<i>Low</i>								
86		2027 Cohort	2028 Cohort	2029 Cohort	2030 Cohort	Total			
87	2027	\$ 743,632,493	-	-		\$ 743,632,493			
88	2028	\$ 751,304,549	\$ 754,786,980	-		\$ 1,506,091,529			
89	2029	\$ 759,062,520	\$ 762,580,910	\$ 766,108,785		\$ 2,287,752,215			
90	2030	\$ 766,907,431	\$ 770,462,184	\$ 774,026,519	\$ 777,600,416	\$ 3,088,996,550			
91									
92	<i>Impact on School</i>								
93		High		Middle		Low			
94		Cash	Recurring	Cash	Recurring	Cash	Recurring		
95	2025-26	\$0	\$(56.7 M)	\$0	\$(44.6 M)	\$0	\$(18.2 M)		
96	2026-27	\$0	\$(56.7 M)	\$0	\$(44.6 M)	\$0	\$(18.2 M)		
97	2027-28	\$(13.7 M)	\$(56.7 M)	\$(10.8 M)	\$(44.6 M)	\$(4.4 M)	\$(18.2 M)		
98	2028-29	\$(27.7 M)	\$(56.7 M)	\$(21.8 M)	\$(44.6 M)	\$(8.9 M)	\$(18.2 M)		
99	2029-30	\$(42.0 M)	\$(56.7 M)	\$(33.1 M)	\$(44.6 M)	\$(13.5 M)	\$(18.2 M)		
100									
101	<i>Impact on Non-School</i>								
102		High		Middle		Low			
103		Cash	Recurring	Cash	Recurring	Cash	Recurring		
104	2025-26	\$0	\$(100.5 M)	\$0	\$(79.0 M)	\$0	\$(32.3 M)		
105	2026-27	\$0	\$(100.5 M)	\$0	\$(79.0 M)	\$0	\$(32.3 M)		
106	2027-28	\$(24.2 M)	\$(100.5 M)	\$(19.1 M)	\$(79.0 M)	\$(7.8 M)	\$(32.3 M)		
107	2028-29	\$(49.0 M)	\$(100.5 M)	\$(38.6 M)	\$(79.0 M)	\$(15.8 M)	\$(32.3 M)		
108	2029-30	\$(74.4 M)	\$(100.5 M)	\$(58.7 M)	\$(79.0 M)	\$(23.9 M)	\$(32.3 M)		
109									
110	<i>Total Impact</i>								
111		High		Middle		Low			
112		Cash	Recurring	Cash	Recurring	Cash	Recurring		
113	2025-26	\$0	\$(157.2 M)	\$0	\$(123.6 M)	\$0	\$(50.5 M)		
114	2026-27	\$0	\$(157.2 M)	\$0	\$(123.6 M)	\$0	\$(50.5 M)		
115	2027-28	\$(37.8 M)	\$(157.2 M)	\$(29.8 M)	\$(123.6 M)	\$(12.2 M)	\$(50.5 M)		
116	2028-29	\$(76.6 M)	\$(157.2 M)	\$(60.5 M)	\$(123.6 M)	\$(24.6 M)	\$(50.5 M)		
117	2029-30	\$(116.4 M)	\$(157.2 M)	\$(91.8 M)	\$(123.6 M)	\$(37.4 M)	\$(50.5 M)		
118									

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Corporate Income Tax

**Issue:** Charitable Trust Exclusion

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

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** n/a

**Month/Year Impact Begins:** July 1, 2025

**Date(s) Conference Reviewed:** 04/04/2025

**Section 1: Narrative**

a. **Current Law:** Under current law Charitable Trusts are liable to pay CIT.

b. **Proposed Change:** the proposed language excludes charitable trusts from CIT.

**Section 2: Description of Data and Sources**

DOR internal discussions

Workpapers from the March 14, 2025 General Revenue Estimating Conference

**Section 3: Methodology (Include Assumptions and Attach Details)**

The proposed language would exclude charitable trusts from CIT beginning July 1, 2025. Charitable trusts generally pay CIT when the 990T tax form is filed federally, however the data available concerning charitable trusts in the state is limited and as such specific tax liability information on these trusts was not available. The language will pull entities out of CIT and the scope of activity being removed is unknown, leading to a negative indeterminate impact.

Based on name matching, a set of charitable trusts were identified. Liabilities were aggregated across the group and grown using the CIT growth rates from the latest General Revenue Estimating Conference. This is presented as the low, as it likely does not capture the full set of charitable trusts. The middle is 5 times this.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(**)	(**)	\$(1.1 M)	\$(1.1 M)	\$(0.2 M)	\$(0.2 M)
2026-27	(**)	(**)	\$(1.1 M)	\$(1.1 M)	\$(0.2 M)	\$(0.2 M)
2027-28	(**)	(**)	\$(1.2 M)	\$(1.2 M)	\$(0.2 M)	\$(0.2 M)
2028-29	(**)	(**)	\$(1.2 M)	\$(1.2 M)	\$(0.2 M)	\$(0.2 M)
2029-30	(**)	(**)	\$(1.2 M)	\$(1.2 M)	\$(0.2 M)	\$(0.2 M)

**Revenue Distribution:**

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the middle estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(1.1)	(1.1)	0.0	0.0	0.0	0.0	(1.1)	(1.1)
2026-27	(1.1)	(1.1)	0.0	0.0	0.0	0.0	(1.1)	(1.1)
2027-28	(1.2)	(1.1)	0.0	0.0	0.0	0.0	(1.2)	(1.1)
2028-29	(1.2)	(1.1)	0.0	0.0	0.0	0.0	(1.2)	(1.1)
2029-30	(1.2)	(1.1)	0.0	0.0	0.0	0.0	(1.2)	(1.1)

	<b>Identified Charitable Trusts</b>
2024	(224,655)

Multiplier:	5
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	CIT growth rates	Middle	Low
23-24	9.0%		
24-25	-1.7%	\$(1.1 M)	\$(0.2 M)
25-26	0.8%	\$(1.1 M)	\$(0.2 M)
26-27	1.5%	\$(1.1 M)	\$(0.2 M)
27-28	2.1%	\$(1.2 M)	\$(0.2 M)
28-29	2.2%	\$(1.2 M)	\$(0.2 M)
29-30	2.2%	\$(1.2 M)	\$(0.2 M)



**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Corporate Income Tax

**Issue:** Sourcing Option for Single Sales Factor Taxpayers

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

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** n/a

**Month/Year Impact Begins:** January 1, 2026

**Date(s) Conference Reviewed:** 04/04/2025

**Section 1: Narrative**

a. **Current Law:** Under current law there is no intangible property or service statute under single sales factor taxpayers.

b. **Proposed Change:** “a taxpayer may elect to determine their income producing activity from the sale of intangible personal property or services using either the location of the taxpayer’s customer or the location from which the taxpayer incurs the greatest proportion of their cost of performance, as determined under generally accepted accounting principles.”

**Section 2: Description of Data and Sources**

CIT tax data

GR CIT growth rates

**Section 3: Methodology (Include Assumptions and Attach Details)**

The new language would allow single sales factor taxpayers with a majority of services outside the state to use the location which incurs the greatest proportion of their cost of performance. For the impact we estimated the proportion of single sales factor corporations where the cost of performance would be greater outside Florida and applies that to the total CIT liability to get us to a 0.38% proportion. The middle estimate uses that 0.38% proportion while the high uses 0.43% and the low 0.33%. there is a further cut from the estimate to represent the percentage of sales that would be TPP and thus not included in this language. The impact begins January 1<sup>st</sup> 2026 causing only a partial impact for 2025-26.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	\$(10.2)	\$(20.4)	\$(9.0)	\$(18.0)	\$(7.8)	\$(15.6)
2026-27	\$(20.7)	\$(20.7)	\$(18.3)	\$(18.3)	\$(15.9)	\$(15.9)
2027-28	\$(21.1)	\$(21.1)	\$(18.7)	\$(18.7)	\$(16.2)	\$(16.2)
2028-29	\$(21.6)	\$(21.6)	\$(19.1)	\$(19.1)	\$(16.6)	\$(16.6)
2029-30	\$(22.1)	\$(22.1)	\$(19.5)	\$(19.5)	\$(16.9)	\$(16.9)

**Revenue Distribution:**

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the middle estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(9.0)	(18.0)	0.0	0.0	0.0	0.0	(9.0)	(18.0)
2026-27	(18.3)	(18.3)	0.0	0.0	0.0	0.0	(18.3)	(18.3)
2027-28	(18.7)	(18.7)	0.0	0.0	0.0	0.0	(18.7)	(18.7)
2028-29	(19.1)	(19.1)	0.0	0.0	0.0	0.0	(19.1)	(19.1)
2029-30	(19.5)	(19.5)	0.0	0.0	0.0	0.0	(19.5)	(19.5)

FY	CIT total liability
2022-23	\$ 5,484,603,535
2023-24	\$ 5,978,217,853
2024-25	\$ 5,876,588,149
2025-26	\$ 5,923,600,854
2026-27	\$ 6,012,454,867
2027-28	\$ 6,138,716,419
2028-29	\$ 6,273,768,181
2028-30	\$ 6,411,791,081

Proportion of CIT liability attributed to single sales factor services
0.38%

CIT growth rates	
23-24	9.0%
24-25	-1.7%
25-26	0.8%
26-27	1.5%
27-28	2.1%
28-29	2.2%
29-30	2.2%

Proportion of CIT		
High	Middle	Low
0.43%	0.38%	0.33%

Percentage of taxdue attributed to services

80%
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Impact	High	Middle	Low
2025-26	\$ 10.2	\$ 9.0	\$ 7.8
2026-27	\$ 20.7	\$ 18.3	\$ 15.9
2027-28	\$ 21.1	\$ 18.7	\$ 16.2
2028-29	\$ 21.6	\$ 19.1	\$ 16.6
2029-30	\$ 22.1	\$ 19.5	\$ 16.9



## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Representative Duggan

**Month/Year Impact Begins:** August 2025 (first month of collections)

**Date(s) Conference Reviewed:** 4/4/2025

### Section 1: Narrative

#### a. Current Law:

The prevailing rate for sales and use tax in Florida is 6% for most tangible personal property (TPP) as specified in Chapter 212, F.S. There are several specially legislated rates that are described below in addition to the prevailing rate. In addition, there are a number of exemptions.

Section 203.0011 F.S. (2024) states that the tax on electrical power or energy is a combined rate of 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively. Section 203.0011 is also published at s. 212.05011.

Section 212.03 states that transient rentals are taxed at 6 percent.

Section 212.031 states that commercial rentals are taxed at 2 percent.

Section 212.04 states that admissions to any place of amusement, sport, or recreation or for entering or staying in any place of amusement, sport, or recreation are taxed at 6 percent.

Section 212.05 states that sales of tangible personal property (TPP) at retail in this state, including remote sales; use, rental, storage, and leasing thereof are taxed at 6 percent, including the tax on:

- (a) the sales price of each item or article of tangible personal property when sold at retail in this state, computed on each taxable,
- (b) each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle required to be registered,
- (b) the cost price of each item or article of tangible personal property when used, consumed, distributed, or stored for use or consumption,
- (c) the gross proceeds from leasing or renting tangible personal property,
- (d) the lease or rental price paid by a lessee or rentee to the owner of TPP,
- (e) charges on prepaid calling arrangements,
- (f) the sale, rental, use, consumption, or storage for use in this state of machines and equipment, and parts and accessories therefor, used in manufacturing, processing, compounding, producing, mining, or quarrying personal property for sale or to be used in furnishing communications, transportation, or public utility services,
- (g) the retail price of newspapers and magazines sold or used in Florida,
- (i) detective, burglar protection, and other protection services,
- (j) the price of a coin or currency that is not a legal tender, which is sold, exchanged, or traded based on its precious metal content,
- (k) the sales price of each gallon of diesel fuel not taxed under chapter 206 purchased for use in a vessel, except dyed diesel fuel that is exempt pursuant to s. 212.08(4)(a)4

Section 212.05(1)(h) imposes a tax on the charges for the use of coin-operated vending machines at the rate of 4 percent. The tax is calculated by dividing the gross receipts by a divisor determined based on a county's discretionary sales surtax levy as follows.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

Item	Discretionary Surtax Percentage			
	None	0.50%	1.00%	2.00%
Gross receipts divisor	1.0325	1.0375	1.0425	1.0525

Section 212.05(1)(n) specifies that the sales tax rate on the sale of a new mobile home as defined in in s. 319.001 is 3 percent.

Section 212.0501 states that the tax on diesel fuel for business purposes is 6 percent.

Section 212.05011 states that the combined rate on the additional tax on electrical power or energy is 6.95 percent, which consists of the 4.35 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively.

Section 212.0515 determines how food, beverages, or other items of tangible personal property that are sold in vending machines are taxed at 6.45 percent. The currently applicable divisors according to a county’s discretionary sales surtax are shown in the table below.

Item	Discretionary Surtax Percentage					
	None	0.50%	0.75%	1.00%	1.50%	2.00%
Beverage and food items	1.0645	1.0686	1.0706	1.0674	1.0767	1.0808
Other items	1.0659	1.0707	1.0727	1.0749	1.0791	1.0833

Section 212.0506 states that service warranties are taxed at 6 percent.

Section 212.06 defines dealers and the legislative intent and determines the sales, storage, use tax, to be collected by dealers from purchasers at the moment of purchase or at the moment of commingling with the general mass of property in this state, and further states that sales tax of 6 percent shall be collectible from all dealers on the sale at retail, the use, the consumption, the distribution, and the storage for use or consumption in this state of tangible personal property or services taxable under Chapter 212.

Section 212.08 specifies in a partial exemption on flyable aircraft that the maximum tax collectible on the sale price is 6 percent.

**b. Proposed Change:**

HB 7031 reduces the general and special sales tax rates as detailed below.

Rate Type	Current Rate	Proposed Rate	Rate Reduction (Percentage Points)	Rate Reduction (Percent)
Business Rent Tax	2.00%	1.25%	0.75	37.50%
Electric Power / Energy	6.95%	6.20%	0.75	10.79%
Food & Beverage Vending	6.45%	5.70%	0.75	11.63%
Amusement Machines	4.00%	3.25%	0.75	18.75%
New Mobile Homes	3.00%	2.25%	0.75	25.00%
Non-Residential Electricity	4.35%	3.60%	0.75	17.24%
Sales Tax Collections at General Rate	6.00%	5.25%	0.75	12.50%

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

Section 1 of HB 7031 amends Section 203.0011, Florida Statutes, to reduce the combined rate on electrical power or energy to 6.2 percent, which consists of the 3.6 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively.

Section 2 amends paragraph (a) of subsection (1), subsection (3), and paragraph (a) of subsection (6) of section 212.03 to reduce the transient rentals tax rate to 5.25 percent.

Section 3 amends paragraphs (c) and (d) of subsection (1) of section 212.031 to reduce the commercial rental tax rate to 1.25 percent.

Section 4 amends paragraph (b) of subsection (1) and paragraph (a) of subsection (2) of section 212.04 to reduce the rate on admissions to 5.25 percent. The section also stipulates that exemptions granted to non-profit organizations may not exceed 5.25 percent of admissions receipts collected by the organization or its agents in the year immediately preceding the year in which the organization applies for the exemption and the non-profit is to remit at also a reduced rate of 5.25 percent.

Section 5 amends paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), and (n) of subsection (1) of section 212.05 to reduce the tax rate to 5.25 percent on:

- the sale of tangible personal property at retail, including remote sales, use, rental, storage,
- each occasional or isolated sale of an aircraft, boat, mobile home, or motor vehicle required to be registered,
- the use, consumption, distribution, or storage for use or consumption,
- the gross proceeds from leasing or renting tangible personal property,
- the lease or rental price paid by a lessee or rentee to the owner of TPP,
- charges on prepaid calling arrangements,
- the sale, rental, use, consumption, or storage for use in this state of machines and equipment, and parts and accessories therefor, used in manufacturing, processing, compounding, producing, mining, or quarrying personal property for sale or to be used in furnishing communications, transportation, or public utility services,
- the retail price of newspapers and magazines sold or used in Florida,
- detective, burglar protection, and other protection services,
- the price of a coin or currency that is not a legal tender, which is sold, exchanged, or traded based on its precious metal content,
- the sales price of each gallon of diesel fuel not taxed under chapter 206 purchased for use in a vessel, except dyed diesel fuel that is exempt pursuant to s. 212.08(4)(a)4.

Section 5 also amends paragraph (h) above to reduce the tax rate to 3.25 percent on the charges for the use of coin-operated amusement machines. Currently, the gross receipts divisors are determined based on a county's discretionary sales surtax levy as follows.

Item	Discretionary Surtax Percentage			
	None	0.50%	1.00%	2.00%
Gross receipts divisor	1.04	1.045	1.05	1.06

Section 5 also amends paragraph (n) above to reduce the sales tax rate to 2.25 percent on the sale of a new mobile home as defined in s. 319.001.

Section 6 amends subsection (2) of section 212.0501 to reduce the tax on diesel fuel for business purposes to 5.25 percent.

Section 7 amends section 212.05011 to reduce the combined rate on the additional tax on electrical power or energy to 6.2 percent, which consists of the 3.6 percent and 2.6 percent required under ss. 212.05(1)(e)1.c. and 203.01(1)(b)4., respectively.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

Section 8 amends subsection (2) of section 212.0515 to reduce the divisors used to determine sales tax paid on food, beverages, or other items of tangible personal property that are sold in vending machines. The currently applicable divisors according to the county discretionary sales surtax are shown in the table below.

Item	Discretionary Surtax Percentage					
	None	0.50%	0.75%	1.00%	1.50%	2.00%
<b>Beverage and food items</b>	1.057	1.0611	1.0631	1.0651	1.0692	1.0733
<b>Other items</b>	1.0584	1.0632	1.0652	1.0726	1.0716	1.0758

Section 9 amends subsection (2) of section 212.0506 to reduce the tax rate on service warranties to 5.25 percent.

Section 10 amends paragraph (a) of subsection (1) of section 812 212.06 to reduce the tax rate to 5.25 percent on the retail sale at the moment of purchase or as of the moment of commingling with the general mass of property in this state (e.g. use tax).

Section 11 amends paragraph (c) of subsection (11) of section 830 212.08 to reduce the maximum tax rate collectible on the sale price of flyable aircraft to 5.25 percent.

**Section 2: Description of Data and Sources**

General Revenue forecast for sales tax through FY 2029-30, March 2025

Department of Revenue collection reports by month by kind code by county through February 2025

US Census Bureau, Manufactured Housing Survey.

**Section 3: Methodology (Include Assumptions and Attach Details)**

**Sales Tax – GR Conference Process**

A sales tax final liability forecast for the six sales tax categories is adopted at each General Revenue conference, most recently at the March 2025 GR conference. Generally, for sales tax modeling purposes (and reporting purposes), DOR’s collection report provides sales tax collections data by month by kind code by county, which are aggregated into six sales tax categories statewide. The collection report is used to produce final liability series by category, from which taxable sales by category are constructed. Analysts use historical quarterly seasonally adjusted taxable sales at the category level (six) to forecast taxable sales, on which an assumed effective tax rate by category is applied to produce the sales tax final liability forecast. The forecast is typically not done at the kind code level (88 kind codes). The GR conference adopts a sales tax final liability forecast by category (not seasonally adjusted cash numbers ), but does not explicitly adopt a taxable sales forecast. The forecast includes FY 2024-25 through FY 2029-30.

**Taxable Sales**

This analysis uses taxable sales underlying the adopted sales tax final liability forecast for the six sales tax categories adopted at the March 2025 GR conference. The taxable sales are converted to cash, not seasonally adjusted, by fiscal year. FY 2023-24 is the last full year of actuals. FY 2024-25 has eight months of actuals.

Taxable Sales	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Auto-Related Consumer Durables	\$ 118,232.1	\$ 120,174.9	\$ 122,103.8	\$ 124,209.8	\$ 126,840.5	\$ 129,711.2	\$ 133,093.1
Other Consumer Durables	\$ 33,521.0	\$ 33,005.7	\$ 34,056.3	\$ 35,551.3	\$ 36,632.1	\$ 38,310.9	\$ 39,527.3
Other Consumer Nondurables	\$ 204,509.7	\$ 213,399.1	\$ 218,817.4	\$ 225,014.5	\$ 232,016.7	\$ 239,367.8	\$ 246,858.5
Recreation & Tourist-Related	\$ 144,004.4	\$ 141,913.0	\$ 148,588.1	\$ 154,525.5	\$ 159,805.7	\$ 164,826.1	\$ 169,967.8
Construction-Related	\$ 41,406.1	\$ 42,782.8	\$ 45,101.2	\$ 47,206.8	\$ 48,842.3	\$ 50,352.7	\$ 51,763.9
Business Investment	\$ 144,537.9	\$ 153,142.2	\$ 156,430.5	\$ 160,136.0	\$ 164,484.4	\$ 169,561.6	\$ 174,407.2
<b>Total Taxable Sales</b>	<b>\$ 686,211.3</b>	<b>\$ 704,417.8</b>	<b>\$ 725,097.2</b>	<b>\$ 746,643.7</b>	<b>\$ 768,621.6</b>	<b>\$ 792,130.3</b>	<b>\$ 815,617.8</b>

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax  
**Issue:** Sales Tax Rate Reductions  
**Bill Number(s):** HB 7031

**Adjusted Taxable Sales**

To align the fiscal year taxable sales underlying the GR forecast and the taxable sales by kind code from the DOR collection report, adjustments by category is made to the taxable sales underlying the GR forecast.

<b>Adjusted Taxable Sales</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
Auto-Related Consumer Durables	\$ 110,719.3	\$ 112,929.8	\$ 114,742.4	\$ 116,721.5	\$ 119,193.5	\$ 121,891.2	\$ 125,069.2
Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
Other Consumer Nondurables	\$ 209,262.1	\$ 213,668.5	\$ 219,093.7	\$ 225,298.6	\$ 232,309.6	\$ 239,670.0	\$ 247,170.1
Recreation & Tourist-Related	\$ 143,885.9	\$ 142,187.0	\$ 148,875.0	\$ 154,823.8	\$ 160,114.3	\$ 165,144.4	\$ 170,296.0
Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
Business Investment	\$ 140,214.8	\$ 147,318.2	\$ 150,481.5	\$ 154,046.0	\$ 158,229.0	\$ 163,113.2	\$ 167,774.5
<b>Total Taxable Sales</b>	<b>\$ 679,821.9</b>	<b>\$ 690,836.4</b>	<b>\$ 711,236.4</b>	<b>\$ 732,482.3</b>	<b>\$ 754,114.6</b>	<b>\$ 777,239.4</b>	<b>\$ 800,323.2</b>

**Taxable Sales by Kind Code**

To more precisely estimate the impact of reducing the rates for the specially legislated rates, this analysis stepped down to the kind code level to isolate and measure the final liability, subject to the specially legislated rates. For this purpose, the analyses used the DOR collection reports by month by kind code by county mentioned above.

**Share of Specially Legislated Rates in the Taxable Base**

This part of the analysis estimates taxable sales for TPP subject to specially legislated rates. First, the TPP’s taxable sales as a percent of the respective kind code taxable sales is calculated. Data for the effective tax rate in the kind code (an average over FY 2020-21 to FY 2023-24), the legislative tax rate, and the prevailing tax rate is used to calculate the share of the kind code taxable sales subject to the specially legislated rate (differential rate). Second, the TPP’s taxable sales as a percent of the sales tax category’s taxable sales is calculated. This is done by using a ratio of the TPP taxable sales calculated in step 1 to the taxable sales in the category.

<b>Levy</b>	<b>Rate Begin</b>	<b>Rate</b>	<b>Kind Code</b>	<b>Sales Tax Category</b>	<b>% KC Subject to Rate</b>	<b>% Category Subject to Rate</b>	<b>Effective Rate for Kind Code</b>	<b>Assumed Effective Rate</b>
Electric Power / Energy	07/01/14	6.95	84	Consumer Nondurables	87.30%	3.39%	6.54	6.97
Food & Beverage Vending	10/01/01	6.45	Line E, 77	Consumer Nondurables	60.00%	0.06%	6.06	6.47
Dyed Diesel Fuel	10/01/01	6.00	45 Line A	Consumer Nondurables				
State Sales Tax	10/01/01	6.00						
Amusement Machine	10/01/01	4.00	59	Tourism & Recreation	3.30%	0.52%	5.94	4.01
New MH Sales Tax Rate	07/01/22	3.00	23	Auto-Related Consumer Durables	1.00%	0.83%		
Gross Receipts - PECO	07/31/14	2.60						
Commercial Rental Rate	05/01/24	2.00	Line C, 82	Business Investment		33.38%	2.71	2.01

The new mobile homes share of the kind code taxable sales is calculated by using Census data on shipments of mobile homes.

**Taxable Sales for Specially Legislated Rates**

The percent of the category, subject to the special rate, is applied to the respective category’s taxable sales for each special rate identified to estimate taxable sales subject to special rates at current levels.



**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

<b>Taxable Sales - Components @ Other Than 6%</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
Auto-Related Consumer Durables	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
Mobile Homes @ 3%	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
Other Consumer Durables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Consumer Nondurables	\$ 7,228.7	\$ 7,380.9	\$ 7,568.4	\$ 7,782.7	\$ 8,024.9	\$ 8,279.1	\$ 8,538.2
Electric Power / Energy @ 6.95%	\$ 7,100.8	\$ 7,250.3	\$ 7,434.4	\$ 7,645.0	\$ 7,882.9	\$ 8,132.6	\$ 8,387.1
Food & Beverage Vending @ 6.45%	\$ 127.9	\$ 130.6	\$ 133.9	\$ 137.7	\$ 142.0	\$ 146.5	\$ 151.1
Recreation & Tourist-Related	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
Amusement Machines @ 4%	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
Construction-Related	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business Investment	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
Commercial Rentals @ 2%	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
<b>Total Taxable Sales</b>	<b>\$ 55,707.5</b>	<b>\$ 58,240.6</b>	<b>\$ 59,534.0</b>	<b>\$ 60,985.8</b>	<b>\$ 62,672.5</b>	<b>\$ 64,605.9</b>	<b>\$ 66,474.4</b>

**Taxable Sales at Six Percent**

Taxable sales for all other items are calculated as remainder.

<b>Taxable Sales for Components @ 6%</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
Auto-Related Consumer Durables	\$ 109,800.3	\$ 111,992.5	\$ 113,790.1	\$ 115,752.7	\$ 118,204.2	\$ 120,879.5	\$ 124,031.2
Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
Other Consumer Nondurables	\$ 202,033.3	\$ 206,287.6	\$ 211,525.3	\$ 217,515.9	\$ 224,284.7	\$ 231,390.8	\$ 238,631.9
Recreation & Tourist-Related	\$ 143,136.1	\$ 141,446.1	\$ 148,099.2	\$ 154,017.1	\$ 159,279.9	\$ 164,283.8	\$ 169,408.6
Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
Business Investment	\$ 93,404.8	\$ 98,136.7	\$ 100,244.0	\$ 102,618.5	\$ 105,405.1	\$ 108,658.6	\$ 111,763.8
<b>Total Taxable Sales</b>	<b>\$ 624,114.4</b>	<b>\$ 632,595.8</b>	<b>\$ 651,702.4</b>	<b>\$ 671,496.5</b>	<b>\$ 691,442.1</b>	<b>\$ 712,633.4</b>	<b>\$ 733,848.8</b>

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

**Calculation of Proposed Rate Reduction for Special Rates**

The proposed sales tax rate reduction across the prevailing and special rates in HB 7031 is for 0.75 percentage points. It is equivalent to a reduction of the current rates varying from 10.8 percent to 37.5 percent of the current rates. Special and general current tax rates are applied to the taxable sales estimates from above to estimate sales tax liability for components at special rates and for all other.

<b>Tax Liability at Current Rates</b>		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
Business Rent Tax	2.00%	\$ 1,004.7	\$ 1,028.5	\$ 1,056.5	\$ 1,089.1	\$ 1,120.2
Electric Power / Energy	6.95%	\$ 516.7	\$ 531.3	\$ 547.9	\$ 565.2	\$ 582.9
Food & Beverage Vending	6.45%	\$ 8.6	\$ 8.9	\$ 9.2	\$ 9.4	\$ 9.7
Amusement Machines	4.00%	\$ 31.0	\$ 32.3	\$ 33.4	\$ 34.4	\$ 35.5
New Mobile Homes	3.00%	\$ 28.6	\$ 29.1	\$ 29.7	\$ 30.4	\$ 31.1
Non-Residential Electricity	4.35%	\$ 308.5	\$ 301.4	\$ 297.2	\$ 295.7	\$ 295.3
Sales Tax Collections at General Rate	6.00%	\$ 39,449.4	\$ 40,659.1	\$ 41,876.6	\$ 43,163.8	\$ 44,457.6
<b>Total Sales Tax Liability</b>		<b>\$ 41,347.6</b>	<b>\$ 42,590.6</b>	<b>\$ 43,850.4</b>	<b>\$ 45,188.1</b>	<b>\$ 46,532.4</b>

Then, a reduction by 0.75 percentage points is applied to the estimated taxable sales for the specially legislated components and for the general rate.

<b>Tax Liability at Reduced Rates</b>		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
Business Rent Tax	1.25%	\$ 628.0	\$ 642.8	\$ 660.3	\$ 680.7	\$ 700.1
Electric Power / Energy	6.20%	\$ 460.9	\$ 474.0	\$ 488.7	\$ 504.2	\$ 520.0
Food & Beverage Vending	5.70%	\$ 7.6	\$ 7.9	\$ 8.1	\$ 8.4	\$ 8.6
Amusement Machines	3.25%	\$ 25.2	\$ 26.2	\$ 27.1	\$ 28.0	\$ 28.8
New Mobile Homes	2.25%	\$ 21.4	\$ 21.8	\$ 22.3	\$ 22.8	\$ 23.4
Non-Residential Electricity	3.60%	\$ 255.3	\$ 249.5	\$ 246.0	\$ 244.7	\$ 244.4
Sales Tax Collections at General Rate	5.25%	\$ 34,518.3	\$ 35,576.7	\$ 36,642.0	\$ 37,768.4	\$ 38,900.4
<b>Total Sales Tax Liability</b>		<b>\$ 35,916.7</b>	<b>\$ 36,998.9</b>	<b>\$ 38,094.5</b>	<b>\$ 39,257.1</b>	<b>\$ 40,425.7</b>

The estimated impact to sales tax liability from a 0.75 percentage point reduction across all rate types is calculated by subtracting the liability at reduced rates from the liability at current rates by rate type. The results are summarized in the table below.

<b>Change in Tax Liability at Reduced Rates</b>		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
Business Rent Tax	1.25%	\$ (376.8)	\$ (385.7)	\$ (396.2)	\$ (408.4)	\$ (420.1)
Electric Power / Energy	6.20%	\$ (55.8)	\$ (57.3)	\$ (59.1)	\$ (61.0)	\$ (62.9)
Food & Beverage Vending	5.70%	\$ (1.0)	\$ (1.0)	\$ (1.1)	\$ (1.1)	\$ (1.1)
Amusement Machines	3.25%	\$ (5.8)	\$ (6.1)	\$ (6.3)	\$ (6.5)	\$ (6.7)
New Mobile Homes	2.25%	\$ (7.1)	\$ (7.3)	\$ (7.4)	\$ (7.6)	\$ (7.8)
Non-Residential Electricity	3.60%	\$ (53.2)	\$ (52.0)	\$ (51.2)	\$ (51.0)	\$ (50.9)
Sales Tax Collections at General Rate	5.25%	\$ (4,931.2)	\$ (5,082.4)	\$ (5,234.6)	\$ (5,395.5)	\$ (5,557.2)
<b>Total Sales Tax Liability</b>		<b>\$ (5,430.9)</b>	<b>\$ (5,591.7)</b>	<b>\$ (5,755.9)</b>	<b>\$ (5,931.0)</b>	<b>\$ (6,106.7)</b>

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales Tax

**Issue:** Sales Tax Rate Reductions

**Bill Number(s):** HB 7031

**Section 4: Proposed Revenue Impact**

The effective date is July 1, 2025. There will be one month lag for collections.

**Sales Tax Final Liability Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			(4,978.3)	(5,430.9)		
2026-27			(5,591.7)	(5,591.7)		
2027-28			(5,755.9)	(5,755.9)		
2028-29			(5,931.0)	(5,931.0)		
2029-30			(6,106.7)	(6,106.7)		

**Local Option Impact**

There is no impact to local option since the taxable base remains unchanged.

**Revenue Distribution:**

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the proposed estimate, but notes that the negative FY 25-26 cash impact could be marginally higher by an indeterminate amount related to the possibility of lower estimated payments.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(4,483.2)	(4,890.8)	(0.3)	(0.3)	(150.8)	(164.5)	(344.0)	(375.3)
2026-27	(5,035.5)	(5,035.5)	(0.4)	(0.4)	(169.3)	(169.3)	(386.5)	(386.5)
2027-28	(5,183.3)	(5,183.3)	(0.4)	(0.4)	(174.3)	(174.3)	(397.9)	(397.9)
2028-29	(5,341.0)	(5,341.0)	(0.4)	(0.4)	(179.6)	(179.6)	(409.9)	(409.9)
2029-30	(5,499.2)	(5,499.2)	(0.4)	(0.4)	(185.0)	(185.0)	(422.2)	(422.2)

	SubTotal		Local Option		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(4,978.3)	(5,430.9)	0.0	0.0	(4,978.3)	(5,430.9)
2026-27	(5,591.7)	(5,591.7)	0.0	0.0	(5,591.7)	(5,591.7)
2027-28	(5,755.9)	(5,755.9)	0.0	0.0	(5,755.9)	(5,755.9)
2028-29	(5,931.0)	(5,931.0)	0.0	0.0	(5,931.0)	(5,931.0)
2029-30	(6,106.7)	(6,106.7)	0.0	0.0	(6,106.7)	(6,106.7)

**HB 7031**  
**Sales Tax Rate Reductions**  
**4/4/2025**

**LEGISLATED SALES AND USE TAX RATES**

Tax Name	Levy	Rate Begin	Rate	Kind Code	Sales Tax Category	M	N	Effective Rate for Kind Code	Assumed Effective Rate
						% KC Subject to Rate	% Category Subject to Rate		
Sales & Use Tax	Electric Power / Energy	07/01/14	6.95	84	Consumer Nondurables	87.30%	3.39%	6.54	6.97
Sales & Use Tax	Food & Beverage Vending	10/01/01	6.45	Line E, 77	Consumer Nondurables	60.00%	0.06%	6.06	6.47
Sales & Use Tax	Dyed Diesel Fuel	10/01/01	6.00	45 Line A	Consumer Nondurables				
Sales & Use Tax	State Sales Tax	10/01/01	6.00						
Sales & Use Tax	Amusement Machine	10/01/01	4.00	59	Tourism & Recreation	3.30%	0.52%	5.94	4.01
Sales & Use Tax	New MH Sales Tax Rate	07/01/22	3.00	23	Auto-Related Consumer Durables	1.00%	0.83%		
Sales & Use Tax	Gross Receipts - PECO	07/31/14	2.60						
Sales & Use Tax	Commercial Rental Rate	05/01/24	2.00	Line C, 82	Business Investment		33.38%	2.71	2.01

It is assumed that the effective tax rate for those items taxed at 6% is 6.02%. This is based on an analysis of the effective tax rates as calculated from sales tax liability and taxable sales as reported by DOR on a monthly basis. This effective rate is approximately 1.0025 times the legislative rate. It is assumed that all effective rates are approximately 1.0025 times their legislative rate.

Then effective rate for the kind code is then assumed to be a weighted average of the effective rate for that portion taxed at 6% and the portion taxed at the differential rate. We then solve for the weight of the portion of the base taxed at the differential rate. This weight is applied to the total taxable sales for the kind code to estimate the value of the tax base subject to the differential rate. This is the figure in column M. This base is then divided by the total value of taxable sales that the kind code is included to arrive at the share of the category--the figure in column N.

	A	B	C	D	E	F	G	H	I
1		<b>HB 7031</b>							
2		<b>Sales Tax Rate Reductions</b>							
3									
4									
5									
6		<b>SALES TAX DISTRIBUTIONS AND TAXABLE SALES</b>							
7		GR Conference, March 2025							
8									
9									
10			<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
11		Underlying Final Liability	\$ 40,499.0	\$ 40,263.5	\$ 41,347.6	\$ 42,590.6	\$ 43,850.4	\$ 45,188.1	\$ 46,532.4
12		Total Collections from Final Liability (excludes CST)	\$ 40,575.8	\$ 40,197.0	\$ 41,416.1	\$ 42,635.0	\$ 43,898.4	\$ 45,245.0	\$ 46,581.7
13		Audits	\$ 49.9	\$ 71.9	\$ 59.8	\$ 60.2	\$ 60.7	\$ 61.1	\$ 61.5
14		Returned Items	\$ (168.5)	\$ (164.8)	\$ (164.0)	\$ (163.6)	\$ (163.4)	\$ (163.3)	\$ (163.3)
15		<b>Total Collections, excluding CST</b>	<b>\$ 40,457.3</b>	<b>\$ 40,104.1</b>	<b>\$ 41,311.9</b>	<b>\$ 42,531.6</b>	<b>\$ 43,795.7</b>	<b>\$ 45,142.8</b>	<b>\$ 46,479.9</b>
16		<b>Total Collections, including CST</b>	<b>\$ 41,084.8</b>	<b>\$ 40,792.3</b>	<b>\$ 42,020.7</b>	<b>\$ 43,256.2</b>	<b>\$ 44,532.2</b>	<b>\$ 45,892.7</b>	<b>\$ 47,242.9</b>
17		<b>General Revenue</b>	<b>\$ 36,014.0</b>	<b>\$ 36,630.3</b>	<b>\$ 37,738.9</b>	<b>\$ 38,854.2</b>	<b>\$ 40,004.6</b>	<b>\$ 41,231.1</b>	<b>\$ 42,446.6</b>
18		<i>General Revenue's Share</i>	<i>87.7%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>	<i>89.8%</i>
19		<i>Effective Tax Rate</i>	<i>5.96%</i>	<i>5.83%</i>	<i>5.81%</i>	<i>5.81%</i>	<i>5.81%</i>	<i>5.81%</i>	<i>5.81%</i>
20									
21		<b>TAXABLE SALES FORECAST</b>							
22									
23			<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
24		<b>Taxable Sales</b>							
25		Auto-Related Consumer Durables	\$ 118,232.1	\$ 120,174.9	\$ 122,103.8	\$ 124,209.8	\$ 126,840.5	\$ 129,711.2	\$ 133,093.1
26		Other Consumer Durables	\$ 33,521.0	\$ 33,005.7	\$ 34,056.3	\$ 35,551.3	\$ 36,632.1	\$ 38,310.9	\$ 39,527.3
27		Other Consumer Nondurables	\$ 204,509.7	\$ 213,399.1	\$ 218,817.4	\$ 225,014.5	\$ 232,016.7	\$ 239,367.8	\$ 246,858.5
28		Recreation & Tourist-Related	\$ 144,004.4	\$ 141,913.0	\$ 148,588.1	\$ 154,525.5	\$ 159,805.7	\$ 164,826.1	\$ 169,967.8
29		Construction-Related	\$ 41,406.1	\$ 42,782.8	\$ 45,101.2	\$ 47,206.8	\$ 48,842.3	\$ 50,352.7	\$ 51,763.9
30		Business Investment	\$ 144,537.9	\$ 153,142.2	\$ 156,430.5	\$ 160,136.0	\$ 164,484.4	\$ 169,561.6	\$ 174,407.2
31		<b>Total Taxable Sales</b>	<b>\$ 686,211.3</b>	<b>\$ 704,417.8</b>	<b>\$ 725,097.2</b>	<b>\$ 746,643.7</b>	<b>\$ 768,621.6</b>	<b>\$ 792,130.3</b>	<b>\$ 815,617.8</b>
32									

	A	B	C	D	E	F	G	H	I
33		<b>Adjustments to Taxable Sales</b>							
34		Auto-Related Consumer Durables	93.6%	94.0%	94.0%	94.0%	94.0%	94.0%	94.0%
35		Other Consumer Durables	102.2%	100.1%	100.1%	100.1%	100.1%	100.1%	100.1%
36		Other Consumer Nondurables	102.3%	100.1%	100.1%	100.1%	100.1%	100.1%	100.1%
37		Recreation & Tourist-Related	99.9%	100.2%	100.2%	100.2%	100.2%	100.2%	100.2%
38		Construction-Related	100.2%	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
39		Business Investment	97.0%	96.2%	96.2%	96.2%	96.2%	96.2%	96.2%
40			<b>99.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>	<b>98.1%</b>
41									
42		<b>Adjusted Taxable Sales</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
43		Auto-Related Consumer Durables	\$ 110,719.3	\$ 112,929.8	\$ 114,742.4	\$ 116,721.5	\$ 119,193.5	\$ 121,891.2	\$ 125,069.2
44		Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
45		Other Consumer Nondurables	\$ 209,262.1	\$ 213,668.5	\$ 219,093.7	\$ 225,298.6	\$ 232,309.6	\$ 239,670.0	\$ 247,170.1
46		Recreation & Tourist-Related	\$ 143,885.9	\$ 142,187.0	\$ 148,875.0	\$ 154,823.8	\$ 160,114.3	\$ 165,144.4	\$ 170,296.0
47		Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
48		Business Investment	\$ 140,214.8	\$ 147,318.2	\$ 150,481.5	\$ 154,046.0	\$ 158,229.0	\$ 163,113.2	\$ 167,774.5
49		Total Taxable Sales	\$ 679,821.9	\$ 690,836.4	\$ 711,236.4	\$ 732,482.3	\$ 754,114.6	\$ 777,239.4	\$ 800,323.2
50									
51									
52		<b>Taxable Sales - Components @ Other Than 6%</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
53		Auto-Related Consumer Durables	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
54		Mobile Homes @ 3%	\$ 919.0	\$ 937.3	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
55		Other Consumer Durables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56		Other Consumer Nondurables	\$ 7,228.7	\$ 7,380.9	\$ 7,568.4	\$ 7,782.7	\$ 8,024.9	\$ 8,279.1	\$ 8,538.2
57		Electric Power / Energy @ 6.95%	\$ 7,100.8	\$ 7,250.3	\$ 7,434.4	\$ 7,645.0	\$ 7,882.9	\$ 8,132.6	\$ 8,387.1
58		Food & Beverage Vending @ 6.45%	\$ 127.9	\$ 130.6	\$ 133.9	\$ 137.7	\$ 142.0	\$ 146.5	\$ 151.1
59		Recreation & Tourist-Related	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
60		Amusement Machines @ 4%	\$ 749.8	\$ 740.9	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
61		Construction-Related	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62		Business Investment	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
63		Commercial Rentals @ 2%	\$ 46,810.0	\$ 49,181.4	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
64		Total Taxable Sales	\$ 55,707.5	\$ 58,240.6	\$ 59,534.0	\$ 60,985.8	\$ 62,672.5	\$ 64,605.9	\$ 66,474.4
65									
66									

	A	B	C	D	E	F	G	H	I
67		<b>Taxable Sales for Components @ 6%</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
68		Auto-Related Consumer Durables	\$ 109,800.3	\$ 111,992.5	\$ 113,790.1	\$ 115,752.7	\$ 118,204.2	\$ 120,879.5	\$ 124,031.2
69		Other Consumer Durables	\$ 34,259.6	\$ 33,037.9	\$ 34,089.5	\$ 35,585.9	\$ 36,667.8	\$ 38,348.3	\$ 39,565.8
70		Other Consumer Nondurables	\$ 202,033.3	\$ 206,287.6	\$ 211,525.3	\$ 217,515.9	\$ 224,284.7	\$ 231,390.8	\$ 238,631.9
71		Recreation & Tourist-Related	\$ 143,136.1	\$ 141,446.1	\$ 148,099.2	\$ 154,017.1	\$ 159,279.9	\$ 164,283.8	\$ 169,408.6
72		Construction-Related	\$ 41,480.3	\$ 41,695.0	\$ 43,954.4	\$ 46,006.5	\$ 47,600.4	\$ 49,072.4	\$ 50,447.6
73		Business Investment	\$ 93,404.8	\$ 98,136.7	\$ 100,244.0	\$ 102,618.5	\$ 105,405.1	\$ 108,658.6	\$ 111,763.8
74		Total Taxable Sales	<b>\$ 624,114.4</b>	<b>\$ 632,595.8</b>	<b>\$ 651,702.4</b>	<b>\$ 671,496.5</b>	<b>\$ 691,442.1</b>	<b>\$ 712,633.4</b>	<b>\$ 733,848.8</b>

	A	B	C	D	E	F	G	H	I	J	K
1	<b>HB 7031</b>										
2	<b>Sales Tax Rate Reductions</b>										
3	<b>4/4/2025</b>										
4	<b>EFFECTIVE TAX RATES BY KIND CODE</b>										
5	<b>TAX LIABILITY AS A PERCENT OF TAXABLE SALES</b>										
6	Kind Code	Kind Code Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 YTD
7	01	Food & Beverage Stores	6.01%	6.01%	6.01%	6.01%	6.01%	6.00%	6.00%	6.00%	5.99%
8	02	Meat Markets, Poultry	5.99%	6.04%	6.06%	6.07%	6.03%	6.02%	6.03%	6.03%	6.01%
9	03	Seafood Dealers	6.01%	6.02%	6.02%	6.03%	6.03%	6.02%	6.02%	6.02%	6.00%
10	04	Vegetable & Fruit Markets, Fruit Juice Stands	6.01%	6.02%	6.01%	6.01%	6.00%	6.01%	6.00%	6.00%	5.97%
11	05	Bakeries	6.02%	6.02%	6.01%	6.01%	6.01%	6.01%	6.01%	6.02%	6.01%
12	06	Eating & Drinking Places (Not Restaurants)	6.02%	6.02%	6.02%	6.02%	6.03%	6.03%	6.02%	6.02%	6.02%
13	07	Candy, Nut, Confectionary & Dairy Product Stores	6.02%	6.03%	6.02%	6.03%	6.04%	6.02%	6.03%	6.02%	6.01%
14	08	Restaurants, Lunchrooms, Catering Services	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%	6.01%
15	09	Drinking Places (Alcoholic Beverages Served on Premises)	6.10%	6.09%	6.09%	6.08%	6.08%	6.08%	6.08%	6.06%	6.06%
16	10	Apparel & Accessory Stores	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.00%	6.00%	6.00%
17	11	Shoe Stores	6.01%	6.01%	6.01%	5.99%	6.00%	6.00%	6.00%	6.00%	6.00%
18	17	Feed & Seed Stores, Retail Nurseries	6.01%	6.00%	6.02%	6.00%	5.98%	5.98%	5.97%	6.01%	6.02%
19	18	Paint, Wallpaper & Hardware Dealers	6.00%	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%
20	19	Farm Implements & Equipment Suppliers	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	5.99%	6.00%	6.00%
21	20	General Miscellaneous Merchandise Stores	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%	5.99%
22	21	Used Merchandise Stores, Second-Hand Stores, Antique Shops	6.01%	6.02%	5.97%	5.66%	5.96%	5.97%	5.97%	6.01%	5.99%
23	22	Sewing, Needlework & Piece Goods Stores	6.02%	6.01%	6.02%	6.01%	6.01%	6.02%	6.02%	6.02%	6.00%
24	23	<b>Automotive Dealers (Sale &amp; Lease), Tag Agencies &amp; Tax Collectors</b>	<b>6.45%</b>	<b>6.47%</b>	<b>6.41%</b>	<b>6.36%</b>	<b>6.47%</b>	<b>6.51%</b>	<b>6.45%</b>	<b>6.43%</b>	<b>6.40%</b>
25	24	Automotive Accessories & Parts	6.01%	6.01%	6.00%	6.00%	6.01%	5.99%	5.97%	5.99%	5.99%
26	25	Gasoline Service Stations	5.87%	5.85%	5.86%	5.94%	5.95%	5.95%	5.97%	5.98%	5.97%
27	26	Automobile Repair & Services	6.02%	6.02%	6.01%	6.01%	6.02%	6.01%	6.01%	6.01%	6.01%
28	27	Aircraft Dealers	5.96%	5.94%	5.92%	5.93%	5.90%	5.88%	5.87%	5.88%	5.79%
29	28	Boat Dealers	5.99%	6.00%	5.99%	5.99%	5.99%	5.98%	5.99%	5.98%	5.96%
30	29	Home Furniture, Furnishings & Equipment	5.99%	5.99%	5.99%	6.00%	6.00%	6.00%	6.01%	6.01%	6.00%
31	30	Household Appliances & Accessories	6.00%	6.00%	6.00%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%
32	31	Store & Office Equipment, Office Supplies	6.01%	6.00%	6.01%	6.02%	6.01%	6.01%	6.02%	6.02%	6.00%
33	32	Radio, Television, Consumer Electronics, Computers, Music Stores	5.99%	6.01%	6.02%	6.01%	6.02%	6.02%	6.02%	6.02%	6.02%
34	33	Building Contractors	5.97%	5.98%	5.96%	5.97%	5.97%	5.96%	5.98%	5.97%	5.94%
35	34	Heating & Air Conditioning	5.95%	5.97%	5.98%	5.98%	5.98%	5.97%	5.98%	5.99%	5.98%
36	35	Electrical, Plumbing, Well Drilling, Pipes	6.02%	6.02%	6.03%	6.03%	6.03%	6.04%	6.03%	6.03%	6.04%
37	36	Decorating, Painting, Papering, Drapery Installation	6.02%	6.02%	6.04%	6.04%	6.04%	6.06%	6.05%	6.06%	6.07%
38	37	Roofing & Sheet Metal	6.01%	6.03%	6.06%	6.03%	6.00%	5.98%	5.98%	6.00%	5.98%
39	38	Lumber & Other Building Materials Dealers	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%



	A	B	C	D	E	F	G	H	I	J	K
6	Kind Code	Kind Code Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 YTD
40	39	Hotel/Motel Accommodations, Rooming Houses, Camps, & Other Lodging Places, Transient Rentals	6.00%	6.00%	6.00%	6.00%	5.99%	5.99%	5.99%	5.99%	5.95%
41	41	Barber Shops, Beauty Shops & Personal Appearance Services	5.99%	5.99%	5.99%	5.98%	5.99%	5.98%	5.98%	5.96%	5.84%
42	42	Book Stores	6.01%	6.01%	6.01%	6.00%	6.00%	6.01%	6.01%	6.00%	5.96%
43	43	Tobacco Stores & Stands	6.02%	6.02%	6.03%	6.02%	6.02%	6.02%	6.02%	6.02%	6.02%
44	44	Florists	6.02%	6.03%	6.04%	6.04%	6.04%	6.04%	6.03%	6.03%	6.03%
45	45	Fuel Dealers, LP Gas Dealers	5.09%	5.11%	5.16%	5.27%	5.50%	5.13%	5.25%	5.41%	5.45%
46	46	Funeral Directors, Crematories & Monuments	6.01%	6.01%	6.00%	6.09%	6.04%	6.00%	6.00%	5.99%	5.96%
47	47	Scrap Metal, Junk Yards, Salvaged Material	5.99%	6.02%	6.00%	5.99%	6.00%	6.00%	6.00%	6.00%	5.99%
48	48	Itinerant Vendors, Peddlers, Direct Selling Establishments	6.06%	6.06%	6.06%	6.08%	6.07%	6.07%	6.07%	6.05%	6.03%
49	49	Laundry, Garment, Linen & Other Cleaning Services	6.00%	6.01%	6.00%	5.99%	5.98%	5.97%	6.01%	6.00%	5.94%
50	50	Machine Shops, Foundries, Iron Work	5.96%	6.01%	6.02%	6.01%	6.03%	6.03%	6.04%	6.04%	6.02%
51	51	Livestock Production, Pet Dealers	5.99%	6.01%	6.01%	6.00%	6.01%	6.00%	6.00%	6.01%	5.93%
52	52	Camera & Photographic Supply Stores	6.04%	6.05%	6.04%	6.04%	6.06%	6.04%	6.04%	6.02%	6.00%
53	53	Shoe Repair Shops, Shoe-Shine Parlors & Hat Cleaning Shops	6.02%	6.01%	6.02%	6.02%	6.01%	6.01%	6.00%	6.02%	6.02%
54	54	Storage & Warehousing	6.01%	5.99%	5.92%	5.92%	5.89%	5.87%	5.77%	5.15%	3.15%
55	55	Gifts, Cards, Novelty, Hobby, Crafts & Toy Stores	5.98%	5.98%	5.96%	5.98%	6.02%	5.99%	5.97%	5.98%	5.95%
56	56	Newsstands & News Dealers	6.00%	6.00%	6.00%	5.99%	5.96%	5.99%	6.00%	5.99%	5.94%
57	57	Social, Fraternal, Commercial Clubs & Associations (All Dues)	6.06%	6.03%	6.03%	6.02%	6.02%	6.01%	6.01%	6.00%	5.95%
58	58	Industrial Machinery	6.01%	6.01%	6.02%	6.03%	6.03%	6.04%	6.03%	6.03%	6.03%
59	59	Admissions, Amusement & Recreation Services	5.91%	5.93%	5.92%	5.92%	5.94%	5.95%	5.96%	5.94%	5.91%
60	60	Holiday Season Vendors	6.01%	6.01%	6.02%	6.01%	6.04%	6.02%	6.01%	6.00%	6.01%
61	61	Rental of Tangible Personal Property	6.01%	6.01%	6.02%	6.01%	6.01%	6.01%	6.01%	6.00%	5.94%
62	62	Fabrication & Sales of Cabinets, Windows, Doors, Awnings, Septic Tanks, Neon Signs, Plastic, etc.	6.02%	6.01%	6.03%	6.04%	6.04%	6.03%	6.02%	6.03%	6.03%
63	63	Manufacturing	6.00%	6.01%	6.02%	6.03%	6.03%	6.02%	6.02%	6.01%	6.01%
64	64	Bottlers	6.03%	6.03%	6.04%	6.04%	6.02%	6.04%	6.02%	6.01%	5.82%
65	65	Pawn Shops	6.01%	6.01%	5.98%	6.02%	6.03%	6.03%	6.03%	6.00%	6.01%
66	66	Communication, Telephone, Telegraph, Radio & Television Stations	5.96%	5.96%	5.93%	5.99%	5.99%	5.99%	5.99%	5.99%	5.98%
67	67	Transportation, Railroads, Airlines, Bus, Trucking Lines	5.98%	5.81%	5.87%	5.84%	5.92%	5.99%	5.97%	5.87%	5.74%
68	68	Graphic Arts, Printing, Publishing, Engraving, Binding, Blueprinting	6.00%	6.01%	6.01%	6.03%	6.02%	6.02%	6.04%	6.03%	5.99%
69	69	Insurance, Banking, Savings & Loans, Research Information Services, Income Tax Reports	5.99%	6.00%	5.99%	6.01%	6.01%	6.03%	5.98%	5.98%	5.95%
70	70	Sanitary & Industrial Supplies	5.99%	6.00%	6.00%	6.00%	6.00%	6.00%	6.01%	6.01%	6.01%
71	71	Packaging Materials, Paper, Box, Bag Dealers	6.00%	6.01%	6.02%	6.02%	6.03%	6.01%	6.02%	6.00%	5.93%
72	72	Repair of Tangible Personal Property	5.99%	6.01%	6.00%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%
73	73	Advertising	6.03%	5.99%	5.98%	6.01%	6.10%	6.00%	5.99%	5.98%	5.86%
74	74	Mining, Drilling, Top Soil, Clay, Sand, Fill Dirt	5.96%	5.92%	5.96%	5.96%	5.97%	5.97%	5.97%	5.98%	5.90%
75	75	Trading Stamp Redemption Centers	6.00%	6.45%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
76	76	Nurseries, Landscaping, Tree Experts	5.98%	5.98%	5.98%	5.99%	5.99%	5.99%	6.00%	6.00%	5.98%

	A	B	C	D	E	F	G	H	I	J	K
6	Kind Code	Kind Code Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 YTD
	77	Vending Machine Operators	6.12%	6.12%	6.11%	6.07%	6.06%	6.06%	6.08%	6.03%	5.77%
	78	Import/Export Activities	6.01%	6.04%	6.02%	6.02%	6.01%	6.00%	6.02%	5.99%	5.96%
	79	Medical, Dental, Surgical, Optical & Related Professional Services	5.97%	6.01%	6.00%	6.01%	6.01%	6.00%	5.98%	5.95%	5.76%
	80	Wholesale Dealers	6.00%	5.90%	5.99%	6.00%	6.00%	5.99%	5.98%	5.98%	5.95%
	81	Schools, Colleges & Educational Services	6.00%	6.02%	6.01%	5.99%	5.99%	5.99%	5.97%	5.91%	5.65%
	82	<b>Lease or Rental of Commercial Real Property</b>	<b>5.99%</b>	<b>5.92%</b>	<b>5.80%</b>	<b>5.68%</b>	<b>5.58%</b>	<b>5.59%</b>	<b>5.59%</b>	<b>5.14%</b>	<b>2.71%</b>
	83	Privately Operated Parking Lots, Boat Docks & Aircraft Hangars	5.94%	5.95%	5.91%	5.90%	5.89%	5.90%	5.88%	5.84%	5.62%
	84	Utilities, Electric, Gas, Water, Sewer	6.58%	6.57%	6.61%	6.50%	6.54%	6.56%	6.54%	6.53%	6.61%
	85	Motion Picture Industry (started Jan 1988)	6.03%	6.02%	6.01%	5.99%	5.92%	5.97%	5.98%	5.91%	5.76%
	86	Exempt Facilities (must have filed Declaration of Exempt Facility, form DR 72-2)	6.04%	6.04%	6.01%	6.00%	5.91%	5.85%	5.79%	5.51%	4.06%
	87	Flea Market Vendors	6.02%	6.01%	6.02%	6.01%	6.02%	6.01%	6.02%	5.84%	4.97%
	88	Other Professional Services	6.01%	6.00%	6.01%	6.04%	6.03%	6.03%	6.02%	6.01%	5.93%
	89	Taxable Services (per Chapter 212, F.S.)	6.05%	6.04%	6.05%	6.05%	6.05%	6.04%	6.06%	6.06%	6.05%
	90	Veterinary Services	6.03%	6.05%	6.03%	6.02%	6.02%	6.03%	6.02%	5.99%	5.84%
	91	Governmental/Public Sector	8.09%	8.04%	7.26%	6.03%	6.07%	5.99%	6.00%	5.93%	5.12%
	92	Social Services/Public Interest Organizations	6.02%	6.07%	6.04%	6.02%	5.94%	5.95%	5.93%	5.86%	5.60%
	93	Commercial Fishing, Fisheries, Aquaculture	6.09%	6.14%	6.19%	6.27%	6.31%	6.22%	6.22%	6.27%	6.21%
	94	Miscellaneous	6.01%	6.01%	5.98%	5.96%	5.97%	5.98%	5.98%	5.95%	5.73%
	95	<b>All Kind Codes</b>	<b>6.07%</b>	<b>6.07%</b>	<b>6.05%</b>	<b>6.04%</b>	<b>6.06%</b>	<b>6.06%</b>	<b>6.05%</b>	<b>6.01%</b>	<b>5.81%</b>

	A	B	E	F	G	H	I
1	<b>HB 7031</b>						
2	<b>Sales Tax Rate Reductions</b>						
3	<b>4/4/2025</b>						
4							
5	<b>SALES TAX LIABILITY AT CURRENT AND PROPOSED RATES</b>						
6	<b>Reduction of 0.75% for All Rates</b>						
7	<b>Rates to Be Reduced:</b>						
8	Business Rent Tax	1					
9	Electric Power / Energy	1					
10	Food & Beverage Vending	1					
11	Amusement Machines	1					
12	New Mobile Homes	1					
13	Non-Residential Electricity	1					
14	Sales Tax Collections at General Rate	1					
15							
16		<b>Rate</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
17	<b>Taxable Sales</b>						
18	Business Rent Tax	2.00%	\$ 50,237.5	\$ 51,427.5	\$ 52,824.0	\$ 54,454.5	\$ 56,010.7
19	Electric Power / Energy	6.95%	\$ 7,434.4	\$ 7,645.0	\$ 7,882.9	\$ 8,132.6	\$ 8,387.1
20	Food & Beverage Vending	6.45%	\$ 133.9	\$ 137.7	\$ 142.0	\$ 146.5	\$ 151.1
21	Amusement Machines	4.00%	\$ 775.8	\$ 806.8	\$ 834.4	\$ 860.6	\$ 887.4
22	New Mobile Homes	3.00%	\$ 952.4	\$ 968.8	\$ 989.3	\$ 1,011.7	\$ 1,038.1
23	Non-Residential Electricity	4.35%	\$ 7,091.5	\$ 6,929.6	\$ 6,832.7	\$ 6,798.5	\$ 6,787.7
24	Sales Tax Collections at General Rate	6.00%	\$ 657,490.6	\$ 677,651.1	\$ 697,943.8	\$ 719,397.3	\$ 740,960.5
25	<b>Total Taxable Sales</b>		<b>\$ 724,116.1</b>	<b>\$ 745,566.5</b>	<b>\$ 767,449.0</b>	<b>\$ 790,801.6</b>	<b>\$ 814,222.6</b>
26							
27	<b>Tax Liability at Current Rates</b>		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
28	Business Rent Tax	2.00%	\$ 1,004.7	\$ 1,028.5	\$ 1,056.5	\$ 1,089.1	\$ 1,120.2
29	Electric Power / Energy	6.95%	\$ 516.7	\$ 531.3	\$ 547.9	\$ 565.2	\$ 582.9
30	Food & Beverage Vending	6.45%	\$ 8.6	\$ 8.9	\$ 9.2	\$ 9.4	\$ 9.7
31	Amusement Machines	4.00%	\$ 31.0	\$ 32.3	\$ 33.4	\$ 34.4	\$ 35.5
32	New Mobile Homes	3.00%	\$ 28.6	\$ 29.1	\$ 29.7	\$ 30.4	\$ 31.1
33	Non-Residential Electricity	4.35%	\$ 308.5	\$ 301.4	\$ 297.2	\$ 295.7	\$ 295.3
34	Sales Tax Collections at General Rate	6.00%	\$ 39,449.4	\$ 40,659.1	\$ 41,876.6	\$ 43,163.8	\$ 44,457.6
35	<b>Total Sales Tax Liability</b>		<b>\$ 41,347.6</b>	<b>\$ 42,590.6</b>	<b>\$ 43,850.4</b>	<b>\$ 45,188.1</b>	<b>\$ 46,532.4</b>
36							
37	<b>Tax Liability at Reduced Rates</b>		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
38	Business Rent Tax	1.25%	\$ 628.0	\$ 642.8	\$ 660.3	\$ 680.7	\$ 700.1
39	Electric Power / Energy	6.20%	\$ 460.9	\$ 474.0	\$ 488.7	\$ 504.2	\$ 520.0
40	Food & Beverage Vending	5.70%	\$ 7.6	\$ 7.9	\$ 8.1	\$ 8.4	\$ 8.6
41	Amusement Machines	3.25%	\$ 25.2	\$ 26.2	\$ 27.1	\$ 28.0	\$ 28.8
42	New Mobile Homes	2.25%	\$ 21.4	\$ 21.8	\$ 22.3	\$ 22.8	\$ 23.4
43	Non-Residential Electricity	3.60%	\$ 255.3	\$ 249.5	\$ 246.0	\$ 244.7	\$ 244.4
44	Sales Tax Collections at General Rate	5.25%	\$ 34,518.3	\$ 35,576.7	\$ 36,642.0	\$ 37,768.4	\$ 38,900.4
45	<b>Total Sales Tax Liability</b>		<b>\$ 35,916.7</b>	<b>\$ 36,998.9</b>	<b>\$ 38,094.5</b>	<b>\$ 39,257.1</b>	<b>\$ 40,425.7</b>
46							
47	<b>Change in Tax Liability at Reduced Rates</b>		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
48	Business Rent Tax	1.25%	\$ (376.8)	\$ (385.7)	\$ (396.2)	\$ (408.4)	\$ (420.1)
49	Electric Power / Energy	6.20%	\$ (55.8)	\$ (57.3)	\$ (59.1)	\$ (61.0)	\$ (62.9)
50	Food & Beverage Vending	5.70%	\$ (1.0)	\$ (1.0)	\$ (1.1)	\$ (1.1)	\$ (1.1)
51	Amusement Machines	3.25%	\$ (5.8)	\$ (6.1)	\$ (6.3)	\$ (6.5)	\$ (6.7)
52	New Mobile Homes	2.25%	\$ (7.1)	\$ (7.3)	\$ (7.4)	\$ (7.6)	\$ (7.8)
53	Non-Residential Electricity	3.60%	\$ (53.2)	\$ (52.0)	\$ (51.2)	\$ (51.0)	\$ (50.9)
54	Sales Tax Collections at General Rate	5.25%	\$ (4,931.2)	\$ (5,082.4)	\$ (5,234.6)	\$ (5,395.5)	\$ (5,557.2)
55	<b>Total Sales Tax Liability</b>		<b>\$ (5,430.9)</b>	<b>\$ (5,591.7)</b>	<b>\$ (5,755.9)</b>	<b>\$ (5,931.0)</b>	<b>\$ (6,106.7)</b>
56							

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Corporate Income Tax

**Issue:** Research, Innovation, Science, and Engineering (RISE) Tax Credit Program

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

**Entire Bill**

**Partial Bill:** Sections 43 and 152

**Sponsor(s):** N/A

**Month/Year Impact Begins:** July 1, 2025

**Date(s) Conference Reviewed:** 03/28/2025

**Section 1: Narrative**

- a. **Current Law:** there is currently no tax credit available for Research, Innovation, Science, and Engineering venture capital investments.
- b. **Proposed Change:** The proposed language would establish the RISE program which would allow a tax credit equal to 25% of qualifying investments up to \$10 million for a qualifying private fund per fiscal year with an overall cap of \$100 million per fiscal year.

**Section 2: Description of Data and Sources**

DOR internal discussion

Market Research

<https://www.bizjournals.com/tampabay/inno/stories/news/2025/03/27/emerge-americas-insights-report-tampa-bay.html>

<https://emergeamericas.com/new-report-reveals-2-41-billion-invested-in-south-florida-startups-later-stage-companies-in-2023/>

**Section 3: Methodology (Include Assumptions and Attach Details)**

The starting point of this impact was to try to determine the level of venture capital investments currently going on in the state. While specific data on qualifying private funds was unavailable there were several reports available online putting the number of investing dollars between \$2.4 and \$4.1 billion for 2023-2024. The language also allows the credit to be sold or transferred, partially or whole, for 5 years after the credit was received by the qualifying firm. The level of investment currently happening in Florida along with the ability to sell or transfer credits leads to confidence in hitting the cap resulting in a \$100 million impact.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			(\$100 M)	(\$100 M)		
2026-27			(\$100 M)	(\$100 M)		
2027-28			(\$100 M)	(\$100 M)		
2028-29			(\$100 M)	(\$100 M)		
2029-30			(\$100 M)	(\$100 M)		

**Revenue Distribution:**

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(100.0)	(100.0)	0.0	0.0	0.0	0.0	(100.0)	(100.0)
2026-27	(100.0)	(100.0)	0.0	0.0	0.0	0.0	(100.0)	(100.0)
2027-28	(100.0)	(100.0)	0.0	0.0	0.0	0.0	(100.0)	(100.0)
2028-29	(100.0)	(100.0)	0.0	0.0	0.0	0.0	(100.0)	(100.0)
2029-30	(100.0)	(100.0)	0.0	0.0	0.0	0.0	(100.0)	(100.0)

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Insurance Premium Tax

**Issue:** Florida Rural Jobs Act

**Bill Number(s):** CS/SB 1322

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator Simon

**Month/Year Impact Begins:** March 1, 2026

**Date(s) Conference Reviewed:** April 4, 2025

### Section 1: Narrative

#### a. Current Law:

Section 288.0656(1), F.S. The Rural Economic Development Initiative (REDI), established by the Legislature to encourage and facilitate the location and expansion of major economic development projects in rural communities. REDI operates through the Department of Commerce to better serve Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies to improve the fiscal, economic, and community viability.

Section 288.018(1)(b), F.S. The regional Rural Development Grants program provides funding to regional economic development organizations for the purpose of building the professional capacity of those organizations.

Section 212.098, F.S. The Florida Rural Job Tax Credit Program offers a tax credit incentive for eligible businesses located within a designated qualified rural area to create new jobs. The tax credit ranges from \$1,000 to \$1,500 per qualified employee and can be taken against either the businesses corporate income tax or sales and use tax.

Federal New Markets Tax Credit Program – The Federal new Markets Tax Credit Program (NMTC) incentivizes community development and economic growth through the use of tax credits that attract private investment o distressed communities. NMTC investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. Investors can claim their allotted tax credits in as little as seven years—5 percent of the investment for each of the first three years and 6 percent of the project for the remaining four years—for a total of 39 percent of the NMTC project.

- b. Proposed Change:** This bill creates s 288.062, F.S., the Florida Rural Jobs Act. This bill allows investors to earn insurance premium tax credits with investments in certified rural funds. The bill caps the investment where no more than \$7.143 million in tax credits will be taken per year. The investments must be with an “Eligible business” meaning a business that has fewer than 250 employees and has its principal business in Florida. The investment must be within a “Rural community” meaning a county with a population of 75,000 or less or a county with a population of 125,000 or less, if that county is contiguous to a county with a population of 75,000 or less. The amount of the credit claimed by a taxpayer may not exceed the amount of the taxpayer’s state tax liability for the tax year for which the credit is claimed.

An eligible investment is any capital or equity investment in an eligible business, or any loan to an eligible business with a stated maturity of at least 1 year from the date of issuance, provided that the eligible business has its principal operations in a rural community. Principal business operations are defined in the bill to mean the location or locations of which at least 60 percent of a business’s employees work or at which the employees who are paid at least 60 percent of the business’s payroll are located. The department shall provide to each taxpayer who has made an investor contribution in the amount of the investor contribution a tax credit certificate.

The Department of Commerce will accept applications for approval on or before November 1, 2025. The department will then have 90 days to collect all investor contribution and collect additional investments of cash, when added to the investor contributions, at least equal the rural fund’s investment authority.

Any entity that makes an investor contribution is vested with an earned credit against state tax liability equal to that investor’s contribution. The credit may be used over 7 years such that 7.14 percent of the credit is applied in each of the taxable years that include the year of the credit allowance date through the sixth anniversary. Any amount of the credit which the entity is unable to claim in a taxable year may be carried forward for use in an entity’s 10 subsequent taxable years. A note here is needed to show that this would allow for a possible large credit to be taken in the 8<sup>th</sup> year or subsequent years, which is outside of the forecasting window. Seven years at 7.14 percent equals 49.98%, this would leave the possibility of the 8<sup>th</sup> year having a 50% credit being taken.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Insurance Premium Tax

**Issue:** Florida Rural Jobs Act

**Bill Number(s):** CS/SB 1322

A credit that is earned may not be refunded or sold on the open market. However, credits may be transferred to affiliates of a taxpayer. The credits earned by or allocated to a partnership, limited liability company, or S corporation may be allocated to the partners, members, or shareholders of such entity for their use in accordance with the provisions of any agreement among such partners, members, or shareholders.

On or after the seventh anniversary of the credit allowance date, a rural fund may apply to the department to exit the program and no longer be subject to regulation. The department may not revoke a tax credit certificate after a rural fund exits the program.

**Section 2: Description of Data and Sources**

- <https://www.flsenate.gov/Laws/Statutes/2024/288.018>
- <https://www.flsenate.gov/Laws/Statutes/2024/288.0656>
- <https://www.flsenate.gov/Laws/Statutes/2024/212.098>
- <https://www.cdfifund.gov/programs-training/programs/new-markets-tax-credit>
- <https://taxpolicycenter.org/briefing-book/what-new-markets-tax-credit-and-how-does-it-work>

**Section 3: Methodology (Include Assumptions and Attach Details)**

*Middle*

The bill does not define “1 year”. For this estimate, it is assumed that 1 year is the State fiscal year. The middle estimate assumes that the full credit will be taken in the first year and every subsequent year. The department will begin to accept applications by November 1, 2025, then have an additional 90 days to collect the needed investor contributions. March 1, 2026, is estimated to be the date when the credits can start to be taken.

*Low*

The low estimate assumes that only 50% of the credit is taken in the first year due to timing in FY 25-26. The full credit is taken in each subsequent year.

**Section 4: Proposed Revenue Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			\$(7.1)	\$(7.1)	\$(3.6)	\$(7.1)
2026-27			\$(7.1)	\$(7.1)	\$(7.1)	\$(7.1)
2027-28			\$(7.1)	\$(7.1)	\$(7.1)	\$(7.1)
2028-29			\$(7.1)	\$(7.1)	\$(7.1)	\$(7.1)
2029-30			\$(7.1)	\$(7.1)	\$(7.1)	\$(7.1)

**Revenue Distribution:**

**Section 5: Consensus Estimate (Adopted: 04/04/2025)** The Conference adopted the middle estimate as presented, but notes that the limit in place in the first seven years does not exist thereafter potentially resulting in a substantially higher impact from that point on.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	(2.4)	(4.8)	(0.3)	(0.6)	(0.9)	(1.7)	(3.6)	(7.1)
2026-27	(4.8)	(4.8)	(0.6)	(0.6)	(1.7)	(1.7)	(7.1)	(7.1)
2027-28	(4.8)	(4.8)	(0.6)	(0.6)	(1.7)	(1.7)	(7.1)	(7.1)
2028-29	(4.8)	(4.8)	(0.6)	(0.6)	(1.7)	(1.7)	(7.1)	(7.1)
2029-30	(4.8)	(4.8)	(0.6)	(0.6)	(1.7)	(1.7)	(7.1)	(7.1)

Impact Estimate						
	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
25-26	(7.1)	(7.1)	(3.6)	(7.1)		
26-27	(7.1)	(7.1)	(7.1)	(7.1)		
27-28	(7.1)	(7.1)	(7.1)	(7.1)		
28-29	(7.1)	(7.1)	(7.1)	(7.1)		
29-30	(7.1)	(7.1)	(7.1)	(7.1)		

**First Year Prorate**  
50%