



HB 7107 Homestead Exemption Implementation (CH. 2017-035, Laws of Florida)

Bill Sponsor: Representative La Rosa

Effective Date: On the effective date of the amendment to the State Constitution proposed by HJR 7105, or a similar joint resolution having substantially the same specific intent and purpose, if approved by Florida voters in November 2018.

DOE Contact: Linda Champion, Deputy Commissioner, Finance and Operations, (850) 245-0406

Executive Summary:

HB 7107 will implement an amendment to Article VII, Section 6(a) of the State Constitution that was passed as House Joint Resolution (HJR) 7105 by the 2017 Florida Legislature. If approved by Florida voters in November 2018, the proposed amendment will increase the homestead property tax exemption from ad valorem taxes, other than school district taxes, up to an additional \$25,000, on the assessed valuation greater than \$100,000.

HB 7107 changes the statutory dollar thresholds for the additional homestead exemption in order to conform to those in the constitutional amendment and specifies the calculation of the rolled-back rate for local governments for purposes of the 2019 tax roll. The Florida Legislature is required to appropriate moneys to offset reductions in tax revenues in fiscally constrained counties that result from increased exemptions. The bill takes effect on January 1, 2019, the same date that the proposed constitutional amendment is to become effective if it is approved by the electorate.

Section 1.

Amends s. 196.031, F.S., Exemption of homesteads, to:

- Implement the proposed constitutional amendment in HJR 7105 by providing an additional homestead exemption of up to \$25,000 on the assessed valuation greater than \$100,000 for all taxes other than school district taxes.

Section 2.

Amends s. 200.065(1) and (2), F.S., Method of fixing millage, to:

- Provide that taxable values used in the calculation of rolled-back rates for purposes of the 2019 tax roll shall be increased by an amount equal to the reduction in taxable value that will occur if the amendment is adopted.
- Require that rolled-back rates used by local governments in their Fiscal Year 2019-2020 tax rate determinations will not automatically increase in response to the tax base reductions associated with the higher homestead exemption.



- Repeal paragraph (b) of subsection (15) of s. 200.065, F.S., on December 31, 2019.

Section 3.

Amends s. 218.125, F.S., Offset for tax loss associated with certain constitutional amendments affecting fiscally constrained counties, to:

- Require the Florida Legislature to appropriate funds to offset reductions in ad valorem tax revenues experienced in fiscally constrained counties a result of the amendment to Article VII, Section 6(a) of the Florida Constitution.
- Provide that funds for the fiscally constrained counties be distributed in January of each fiscal year.
- Specify the method for applying and calculating the distribution of funds.

Section 4.

Provides for the bill to take effect on the same date as the effective date of the amendment to the state constitution proposed by HJR 7105, if approved at the general election in November 2018.

General Implementation Timeline:

No implementation required by the Florida Department of Education.