

2026 Property Tax Update

State Representative Emily Gregory
House District 87



Overview

- What does the Amendment do
- What does the Amendment mean for:
 - Homeowners
 - Business & Commercial Property Owners
 - Renters
 - Local Government/Community Services



Overview cont'd

- Constitutional Issue
- Arguments in Opposition/Support
- Florida Taxation & Budget Commission
- Other Amendments on the Ballot



Amendment 3

- Increases the homestead exemption for non-school property taxes to up to \$150,000 in 2027 and \$250,000 in 2028 for qualifying homesteads established by December 31, 2026, and adjusts for inflation thereafter
- Requires the Legislature to prescribe a uniform procedure for counties and municipalities, for their respective levies, to increase the homestead exemption up to full assessed value
- Persons who are not Florida residents on December 31, 2026, will receive the existing homestead exemption upon qualifying for a homestead exemption, with the increased homestead exemption beginning with the fifth year of exemption
- Reduces the annual assessment cap for non-homestead residential and non-residential property from 10% to 5%.
- Limits how counties and municipalities may use property tax revenue.



For Homeowners

- Will reduce non-school property taxes for qualifying homeowners
- Savings will vary based on assessed value, taxing jurisdiction millage rates
- Local governments will affect the ultimate impact on homeowner taxpayers, including other fees
- Reduction of public services



For Business & Commercial Property Owners

- Greater predictability with slower growth in taxable assessments for certain commercial properties
- Greater unpredictability with local government's response to changes in property-tax revenue



For Renters

- Indirect effects:
 - Lower non-homestead assessment cap benefits owners of rental properties, which benefit they could pass on to renters
 - Higher costs imposed on landlords through higher taxes or fees, which cost they could pass on to renters
- Municipalities may shift lost revenue needed for local services for all to renters through new general taxes and fees



Local Government & Community Services Affected

- Police, fire, ambulance and rescue
- Public schools
- Emergency and disaster relief
- Infrastructure and maintenance (road maintenance, potholes)
- Community services
- Public health and social services
- Palm Beach County Parks and Recreation
- Environmental and utility services (trash collection, water/sewer systems, stormwater drainage, and local environmental programs)
- Libraries
- Health Care District of Palm Beach County
- Children's Services Council of Palm Beach County
- Court related expenditures



Children's Service Council of Palm Beach County

- Created and reaffirmed by voters twice in 40 years
- \$26M cut to their budget with \$250,000 property tax exemption
- 52,000 children currently served in the county



Health Care District of Palm Beach County

- Non-profit public health safety net for entire county
 - 1400 employees, 600 licensed providers
 - Trauma system primary
 - Hospital care 9 federally approved Community Health Centers
 - School health staffs in 173 public schools
 - Skilled Nursing Center
 - Developing a crisis receiving center
- \$23M impact with \$150,000 property tax exemption
- \$43M impact with \$250,000 property tax exemption



Palm Beach County Parks & Recreation

- Operates more than 110 parks (more than 8,500 acres) and recreation facilities
 - 77 baseball/softball fields
 - 133 playgrounds
 - 57 multipurpose fields
 - 93 championship golf holes
 - 396 campsites
 - 66 boat slips/36 boat ramps



Constitutional Issue

New Florida residents after December 31, 2026, would phase into the increased homestead exemption beginning in their fifth year of eligibility

- In 1982, Florida Supreme Court ruled that the state cannot discriminate among bona fide permanent residents by creating tiered tax exemption benefits based on how long a resident has lived in Florida
- Lawsuit now would be premature



Opposition/Concerns

- Reduced local government revenue while costs of staffing and equipment increase
- Pressure on Local Services
- Possibility of Higher Millage Rates or Other Fees
- 29 fiscally constrained counties in Florida and will see fiscally constrained cities in Palm Beach County
 - Palm Beach County will assume their debt
- Why not property insurance reform?



Support

- Voters gain some control of property taxation
- Pressure for greater government efficiency



Florida Taxation & Budget Commission

- Meets in 2027
- 29 Members
- Examines the state's comprehensive planning, budgeting and needs assessment
- public hearings
- files proposed constitutional revisions regarding at least 180 days prior to the general election in its second operating year- May of 2028
- Constitutional proposals require a two-thirds vote of the commission's membership



Other Amendments on the Ballot

- Constitutional Amendment 1: Budget Stabilization Fund
- Constitutional Amendment 2: Exemption of Tangible Personal Property on Agriculture Land from Taxation
- County Question: Library District Expansion and Modernization Program (not for Lake Worth Beach residents)
- County Question: Park, Sports and Recreational Facilities and Botanical Gardens
- County Question: Referendum to Continue Ad Valorem Levy for School Safety, Teachers and Operational Needs



Thank you for having us!

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