

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Tax Exemptions - Penalty and Interest

Bill Number(s): HB1345

Entire Bill

Partial Bill: Section 1

Sponsor(s): Representative McFarland

Month/Year Impact Begins: July 2022

Date of Analysis: February 4, 2022

Section 1: Narrative

a. Current Law:

Sections 196.011(9)(a), Florida Statutes, details the penalties for falsely claiming an exemption. The property is subject to the taxes exempted plus 15 percent interest per annum and a penalty of 50 percent of the taxes exempted.

b. Proposed Change:

Sections 196.011(9)(a), Florida Statutes, is amended, changing the penalties for falsely claiming an exemption. Under the bill, the property is subject to the taxes exempted plus a statutorily set (s. 213.235, F.S.) interest rate per annum and a penalty of 3 times that same rate, up to 50 percent of the taxes exempted.

Section 2: Description of Data and Sources

Statewide Effective Millage rates

Tax Information Publication TIP 21ADM-02 – Daily Interest Rate Factors

2021 Final Ad Valorem Rolls

Section 3: Methodology (Include Assumptions and Attach Details)

It is assumed, based on the interest and penalty language that the primary amounts that would be subject to the interest and penalty provisions are the 1st and 2nd homestead exemptions. The amount of interest and penalty charge on these amounts is calculated under both the current law and the bill provisions over 10 years. Generally, these properties are identified sometime after the exemption has been used without entitlement based on records checks tied to home purchases. It is assumed that for the High estimate that all properties are found after receiving the exemption for 10 years. The Middle estimate assumes 7 years and the Low estimate assumes 5 years. The total number of homestead properties from the 2021 roll is 4,826,961. All three estimates assume that 2 hundredths of one percent of homestead properties, for a total of 965 properties, are receiving the exemptions without being entitled to the exemption.

The effective date of the bill is July 1, 2022, and it is expected that these properties are discovered on a rolling basis. The first year’s cash equals the recurring for this reason.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(0.8 M)	\$(0.8 M)	\$(0.6 M)	\$(0.6 M)	\$(0.5 M)	\$(0.5 M)
2023-24	\$(0.8 M)	\$(0.8 M)	\$(0.6 M)	\$(0.6 M)	\$(0.5 M)	\$(0.5 M)
2024-25	\$(0.8 M)	\$(0.8 M)	\$(0.6 M)	\$(0.6 M)	\$(0.5 M)	\$(0.5 M)
2025-26	\$(0.8 M)	\$(0.8 M)	\$(0.6 M)	\$(0.6 M)	\$(0.5 M)	\$(0.5 M)
2026-27	\$(0.8 M)	\$(0.8 M)	\$(0.6 M)	\$(0.6 M)	\$(0.5 M)	\$(0.5 M)

List of affected Trust Funds: Ad Valorem

Section 5: Consensus Estimate (Adopted: 02/04/2022): The Conference adopted a negative indeterminate impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2023-24	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2024-25	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2025-26	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)
2026-27	0.0	0.0	0.0	0.0	(**)	(**)	(**)	(**)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
39	Impact																		
40																			
41	Total number of Homestead Properties						4,826,961												
42	Percent Receiving 1 st & 2 nd Exemption w/o Entitlement						0.020%												
43	No. of Properties Receiving Exemptions w/o Entitlement						965												
44																			
45				High	Middle	Low													
46	Yrs Exempt			10	7	5													
47	Interest and Penalty Diff			\$ (791.1)	\$ (615.6)	\$ (503.5)													
48	Tax impact			\$ (0.76)	\$ (0.59)	\$ (0.49)													
49																			
50																			
51		High		Middle		Low													
52		Cash	Recurring	Cash	Recurring	Cash	Recurring												
53	2022-23	\$ (0.8 M)	\$ (0.8 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.5 M)	\$ (0.5 M)												
54	2023-24	\$ (0.8 M)	\$ (0.8 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.5 M)	\$ (0.5 M)												
55	2024-25	\$ (0.8 M)	\$ (0.8 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.5 M)	\$ (0.5 M)												
56	2025-26	\$ (0.8 M)	\$ (0.8 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.5 M)	\$ (0.5 M)												
57	2026-27	\$ (0.8 M)	\$ (0.8 M)	\$ (0.6 M)	\$ (0.6 M)	\$ (0.5 M)	\$ (0.5 M)												
58																			

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Emergency Telecom Devices at Pools

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s): N/A

Month/Year Impact Begins: July 2022

Date of Analysis: February 4, 2022

Section 1: Narrative

a. **Current Law:** No current law

b. **Proposed Change:** Be It Enacted by the Legislature of the State of Florida: Section 1. Section 196.083, Florida Statutes, is created to read:

196.083 Discount for public swimming pools with emergency telecommunications devices.—

(1) As used in this section, the term:

(a) "Emergency telecommunications device" means any telephone permanently installed at a public swimming pool as defined in s. 514.011. Such telephone shall be capable of immediately dialing 9-1-1- or a central monitoring station in compliance with North American central station monitoring safety standards and certified either by Underwriters Laboratory (UL) or ETL Intertek (ETL).

(2) Property with a public swimming pool equipped with an emergency telecommunications device within the public swimming pool area is eligible to receive a discount from the amount of the ad valorem tax otherwise owed on the property. The discount shall be applied as a reduction to the tax levied and is equal to the lesser of the tax levied or \$500.

(3) To receive the discount, a taxpayer must submit an application to the property appraiser no later than March 1 of the year in which the discount is claimed. In addition to the application, a taxpayer must provide a copy of its current annual operating permit issued by the Florida Department of Health pursuant to s. 514.031.

(4) The discount provided by this section applies to installations of an emergency telecommunications device after the effective date of this act. Qualifying property may receive the discount for up to 5 years from the year in which the device is installed. For installations after March 1 of any year, the property appraiser shall consider the device installed on the January 1 immediately following the date of installation.

Section 2. This act shall take effect July 1, 2022, and first applies to the 2023 tax roll.

Section 2: Description of Data and Sources

Department of Health pool permitting data

[2021 Data Book: Millages and Taxes Levied Report](#)

[Ad Valorem Revenue Estimating Conference—January 2022](#)

Section 3: Methodology (Include Assumptions and Attach Details)

Public swimming pools are permitted through the Department of Health (DOH). Data provided by DOH indicated that there are currently 42,562 permits. Of those, 13,374 are owned by "Associations, Condos, HOAs, and Governments," and are excluded from the analysis for one of two reasons:

1. Those owned by the government would already be exempt, and therefore have no tax liability to discount
2. Those owned by associations, condos, or HOAs would have the pool on a parcel assessed as a "common element", with little to no taxable value because the value is split on the roll between all parcels in a given association, condo, or HOA.

According to address matching, of the remaining 29,188 permits, 10,901 are duplicates. This is possible because each individual pool or spa needs its own permit, allowing for multiple permits to be assigned to one location. This leaves 18,287 unique locations.

The Middle and Low estimates include only unique locations, assuming only one emergency telecommunication device per location. The Middle estimate assumes that 100% of these properties will purchase a new device every 5 years and receive the \$500 discount; the Low assumes 90% will do so. The totals are multiplied by \$500 (the proposed discount amount) to estimate the total 2021 discount.

The current Proposed Language does not indicate whether or not there is a limit to the number of discounts allowable at each location. If only 1 is allowed per property, a 100-acre resort with 5 pools would be incentivized to install an emergency phone at only 1 of the pools. If multiple phones are allowed per property, every public pool would be incentivized to install enough phones to eliminate their tax liability. The High estimate includes these duplications, assuming each individual permitted pool has its own emergency telecommunications device. If the number of exemptions per property is unrestricted, it is reasonable to assume enough

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Emergency Telecom Devices at Pools

Bill Number(s): Proposed Language

phones will be installed to eliminate the taxes levied. The alternative high in the table below represents the elimination of property tax on hotels using the 2021 statewide millage rates and the growth rates detailed below.

	All Hotels		
Year	tv_sd	tv_nsd	
2021	\$56,148.8M	\$54,486.5M	
Year	Levy_sd	Levy_nsd	Alt High
2021	\$(352.0M)	\$(586.2M)	\$(938.2M)
2022	\$(376.5M)	\$(627.0M)	\$(1,003.5M)
2023	\$(383.5M)	\$(638.6M)	\$(1,022.2M)
2024	\$(406.0M)	\$(676.0M)	\$(1,081.9M)
2025	\$(422.0M)	\$(702.7M)	\$(1,124.8M)
2026	\$(436.3M)	\$(726.5M)	\$(1,162.8M)
2027	\$(450.6M)	\$(750.3M)	\$(1,201.0M)

The calculated total discount is grown forward using the combined Non_Hmstd_Res and Non_Res growth rate of new construction from the most recent Ad Valorem Revenue Estimating Conference.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$0	\$(15.6 M)	\$0	\$(9.8 M)	\$0	\$(8.8 M)
2023-24	\$(15.9 M)	\$(15.9 M)	\$(10.0 M)	\$(10.0 M)	\$(9.0 M)	\$(9.0 M)
2024-25	\$(16.8 M)	\$(16.8 M)	\$(10.5 M)	\$(10.5 M)	\$(9.5 M)	\$(9.5 M)
2025-26	\$(17.5 M)	\$(17.5 M)	\$(11.0 M)	\$(11.0 M)	\$(9.9 M)	\$(9.9 M)
2026-27	\$(18.1 M)	\$(18.1 M)	\$(11.3 M)	\$(11.3 M)	\$(10.2 M)	\$(10.2 M)

List of affected Trust Funds: Ad Valorem

Section 5: Consensus Estimate (Adopted: 2/4/2022) The Conference adopted the middle estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(3.6)	0.0	(6.2)	0.0	(9.8)
2023-24	(3.7)	(3.7)	(6.3)	(6.3)	(10.0)	(10.0)
2024-25	(3.9)	(3.9)	(6.7)	(6.7)	(10.5)	(10.5)
2025-26	(4.0)	(4.0)	(6.9)	(6.9)	(11.0)	(11.0)
2026-27	(4.2)	(4.2)	(7.2)	(7.2)	(11.3)	(11.3)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(9.8)	0.0	(9.8)
2023-24	0.0	0.0	0.0	0.0	(10.0)	(10.0)	(10.0)	(10.0)
2024-25	0.0	0.0	0.0	0.0	(10.5)	(10.5)	(10.5)	(10.5)
2025-26	0.0	0.0	0.0	0.0	(11.0)	(11.0)	(11.0)	(11.0)
2026-27	0.0	0.0	0.0	0.0	(11.3)	(11.3)	(11.3)	(11.3)

Proposed Language: Emergency Telecom Devices at Pools
 Analysis

	A	B	C	D	E	F
1						
2	DOH Pool Permitting Data					
3		Total Permits	42,562			
4		Unique Locations	18,287			
5		Duplicate Locations	10,901			
6		Unique Associations, Condos, HOAs, Gov	13,374	Excluded. See Methodology		
7		Source: Department of Health Permitting Data				
8						
9	Estimates					
10			High	Middle	Low	
11		Unique Locations	1	1	1	
12		Duplicate Locations	1	0	0	
13		Unique Associations, Condos, HOAs, Gov	0	0	0	
14		Multiplier	100%	100%	90%	
15						
16			High	Middle	Low	
17		Unique Locations	18,287	18,287	18,287	
18		Duplicate Locations	10,901	-	-	
19		Unique Associations, Condos, HOAs, Gov	-	-	-	
20		Multiplier	100%	100%	90%	
21		Total	29,188	18,287	16,458	
22						
23	Discount					
24		(\$500)				
25						
26	Effective Exemption					
27			School	Non-School		
28		Millage	6.27	10.76		
29		Share (see "Levy Apportionment" below)	38.56%	61.44%		
30		Tax Levy Reduction	\$ (192.80)	\$ (307.20)		
31		Effective Taxable Value Exemption	\$ (30,750.76)	\$ (28,553.78)		
32						
33	Total Discount from Roll in First Year					
34			High	Middle	Low	
35			\$ (14,594,000)	\$ (9,143,500)	\$ (8,229,150)	
36						
37	Growth Rate--New Construction Non_Hmstd_Res and Non_Res					
38		Year	non_hmstd_res	non_res	sum	% Change
39		2021	\$ 17,277	\$ 17,269	\$ 34,546	
40		2022	\$ 18,904	\$ 18,045	\$ 36,949	6.96%
41		2023	\$ 20,133	\$ 17,504	\$ 37,637	1.86%
42		2024	\$ 21,175	\$ 18,661	\$ 39,836	5.84%
43		2025	\$ 22,085	\$ 19,330	\$ 41,415	3.96%
44		2026	\$ 22,873	\$ 19,940	\$ 42,813	3.38%
45		2027	\$ 23,664	\$ 20,555	\$ 44,219	3.28%
46		Source: AV REC Jan 22				
47						

Proposed Language: Emergency Telecom Devices at Pools
 Analysis

	A	B	C	D	E	F
48	Projected Discount					
49		Year	High	Middle	Low	
50		2021	\$ (14,594,000)	\$ (9,143,500)	\$ (8,229,150)	
51		2022	\$ (15,609,150)	\$ (9,779,517)	\$ (8,801,565)	
52		2023	\$ (15,899,797)	\$ (9,961,614)	\$ (8,965,452)	
53		2024	\$ (16,828,767)	\$ (10,543,636)	\$ (9,489,273)	
54		2025	\$ (17,495,817)	\$ (10,961,560)	\$ (9,865,404)	
55		2026	\$ (18,086,404)	\$ (11,331,577)	\$ (10,198,419)	
56		2027	\$ (18,680,371)	\$ (11,703,712)	\$ (10,533,341)	
57						
58	Levy Apportionment					
59		School Board Operating	\$ 15,150,854,094			
60		School Board Debt Service	\$ 137,112,429			
61		Grand Total (Taxes Levied)	\$ 39,646,353,072			
62		School Percent of Total	38.56%			
63		Source: Millage and Taxes Levied Report 2021				
64						
65	School Impact					
66			High	Middle	Low	
67		2021-22	\$ (5,627,569)	\$ (3,525,810)	\$ (3,173,229)	
68		2022-23	\$ (6,019,019)	\$ (3,771,064)	\$ (3,393,957)	
69		2023-24	\$ (6,131,095)	\$ (3,841,282)	\$ (3,457,154)	
70		2024-25	\$ (6,489,314)	\$ (4,065,715)	\$ (3,659,143)	
71		2025-26	\$ (6,746,534)	\$ (4,226,870)	\$ (3,804,183)	
72		2026-27	\$ (6,974,269)	\$ (4,369,551)	\$ (3,932,596)	
73						
74	Non School Impact					
75			High	Middle	Low	
76		2021-22	\$ (8,966,431)	\$ (5,617,690)	\$ (5,055,921)	
77		2022-23	\$ (9,590,131)	\$ (6,008,453)	\$ (5,407,608)	
78		2023-24	\$ (9,768,702)	\$ (6,120,332)	\$ (5,508,299)	
79		2024-25	\$ (10,339,453)	\$ (6,477,922)	\$ (5,830,130)	
80		2025-26	\$ (10,749,283)	\$ (6,734,690)	\$ (6,061,221)	
81		2026-27	\$ (11,112,135)	\$ (6,962,026)	\$ (6,265,823)	
82						
83	Total Impact					
84			High	Middle	Low	
85		2021-22	\$ (14,594,000)	\$ (9,143,500)	\$ (8,229,150)	
86		2022-23	\$ (15,609,150)	\$ (9,779,517)	\$ (8,801,565)	
87		2023-24	\$ (15,899,797)	\$ (9,961,614)	\$ (8,965,452)	
88		2024-25	\$ (16,828,767)	\$ (10,543,636)	\$ (9,489,273)	
89		2025-26	\$ (17,495,817)	\$ (10,961,560)	\$ (9,865,404)	
90		2026-27	\$ (18,086,404)	\$ (11,331,577)	\$ (10,198,419)	

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Exemption From Taxation for Educational Properties

Bill Number(s): [SB1126](#)

Entire Bill

Partial Bill:

Sponsor(s): Senator Harrell

Month/Year Impact Begins: July 1, 2022

Date of Analysis: February 4, 2022

Section 1: Narrative

a. Current Law: Chapter 196.198 currently states, “Educational institutions within this state and their property used by them or by any other exempt entity or educational institution exclusively for educational purposes are exempt from taxation. Sheltered workshops providing rehabilitation and retraining of individuals who have disabilities and exempted by a certificate under s. (d) of the federal Fair Labor Standards Act of 1938, as amended, are declared wholly educational in purpose and are exempt from certification, accreditation, and membership requirements set forth in s. 196.012. Those portions of property of college fraternities and sororities certified by the president of the college or university to the appropriate property appraiser as being essential to the educational process are exempt from ad valorem taxation. The use of property by public fairs and expositions chartered by chapter 616 is presumed to be an educational use of such property and is exempt from ad valorem taxation to the extent of such use. Property used exclusively for educational purposes shall be deemed owned by an educational institution if the entity owning 100 percent of the educational institution is owned by the identical persons who own the property, or if the entity owning 100 percent of the educational institution and the entity owning the property are owned by the identical natural persons. Land, buildings, and other improvements to real property used exclusively for educational purposes shall be deemed owned by an educational institution if the entity owning 100 percent of the land is a nonprofit entity and the land is used, under a ground lease or other contractual arrangement, by an educational institution that owns the buildings and other improvements to the real property, is a nonprofit entity under s. 501(c)(3) of the Internal Revenue Code, and provides education limited to students in prekindergarten through grade 8. Land, buildings, and other improvements to real property used exclusively for educational purposes are deemed owned by an educational institution if the educational institution that currently uses the land, buildings, and other improvements for educational purposes is an educational institution described in s. 212.0602, and, under a lease, the educational institution is responsible for any taxes owed and for ongoing maintenance and operational expenses for the land, buildings, and other improvements. For such leasehold properties, the educational institution shall receive the full benefit of the exemption. The owner of the property shall disclose to the educational institution the full amount of the benefit derived from the exemption and the method for ensuring that the educational institution receives the benefit. Notwithstanding ss. 196.195 and 196.196, property owned by a house of public worship and used by an educational institution for educational purposes limited to students in preschool through grade 8 shall be exempt from ad valorem taxes. If legal title to property is held by a governmental agency that leases the property to a lessee, the property shall be deemed to be owned by the governmental agency and used exclusively for educational purposes if the governmental agency continues to use such property exclusively for educational purposes pursuant to a sublease or other contractual agreement with that lessee. If the title to land is held by the trustee of an irrevocable inter vivos trust and if the trust grantor owns 100 percent of the entity that owns an educational institution that is using the land exclusively for educational purposes, the land is deemed to be property owned by the educational institution for purposes of this exemption. Property owned by an educational institution shall be deemed to be used for an educational purpose if the institution has taken affirmative steps to prepare the property for educational use. The term “affirmative steps” means environmental or land use permitting activities, creation of architectural plans or schematic drawings, land clearing or site preparation, construction or renovation activities, or other similar activities that demonstrate commitment of the property to an educational use.”

b. Proposed Change: Educational institutions within this state and their property used by them or by any other exempt entity or educational institution exclusively for educational purposes are exempt from taxation. Sheltered workshops providing rehabilitation and retraining of individuals who have disabilities and exempted by a certificate under s. (d) of the federal Fair Labor Standards Act of 1938, as amended, are declared wholly educational in purpose and are exempt from certification, accreditation, and membership requirements set forth in s. 196.012. Those portions of property of college fraternities and sororities certified by the president of the college or university to the appropriate property appraiser as being essential to the educational process are exempt from ad valorem taxation. The use of property by public fairs and expositions chartered by chapter 616 is presumed to be an educational use of such property and is exempt from ad valorem taxation to the extent of such use. Property used exclusively for educational purposes shall be deemed owned by an educational institution if the entity owning 100 percent of the educational institution is owned by the identical persons who own the property, ~~or~~ if the entity owning 100 percent of the educational institution and the entity owning the property are owned by the identical natural persons, or if the educational institution is a lessee that owns the leasehold interest in a bona fide lease for a nominal amount per year having an

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Exemption From Taxation for Educational Properties

Bill Number(s): [SB1126](#)

original term of 98 years or more. Land, buildings, and other improvements to real property used exclusively for educational purposes shall be deemed owned by an educational institution if the entity owning 100 percent of the land is a nonprofit entity and the land is used, under a ground lease or other contractual arrangement, by an educational institution that owns the buildings and other improvements to the real property, is a nonprofit entity under s. 501(c)(3) of the Internal Revenue Code, and provides education limited to students in prekindergarten through grade 8. Land, buildings, and other improvements to real property used exclusively for educational purposes are deemed owned by an educational institution if the educational institution that currently uses the land, buildings, and other improvements for educational purposes is an educational institution described in s. 212.0602, and, under a lease, the educational institution is responsible for any taxes owed and for ongoing maintenance and operational expenses for the land, buildings, and other improvements. For such leasehold properties, the educational institution shall receive the full benefit of the exemption. The owner of the property shall disclose to the educational institution the full amount of the benefit derived from the exemption and the method for ensuring that the educational institution receives the benefit. Notwithstanding ss. 196.195 and 196.196, property owned by a house of public worship and used by an educational institution for educational purposes limited to students in preschool through grade 8 shall be exempt from ad valorem taxes. If legal title to property is held by a governmental agency that leases the property to a lessee, the property shall be deemed to be owned by the governmental agency and used exclusively for educational purposes if the governmental agency continues to use such property exclusively for educational purposes pursuant to a sublease or other contractual agreement with that lessee. If the title to land is held by the trustee of an irrevocable inter vivos trust and if the trust grantor owns 100 percent of the entity that owns an educational institution that is using the land exclusively for educational purposes, the land is deemed to be property owned by the educational institution for purposes of this exemption. Property owned by an educational institution shall be deemed to be used for an educational purpose if the institution has taken affirmative steps to prepare the property for educational use. The term “affirmative steps” means environmental or land use permitting activities, creation of architectural plans or schematic drawings, land clearing or site preparation, construction or renovation activities, or other similar activities that demonstrate commitment of the property to an educational use.”

Section 2: Description of Data and Sources

2015F-2020F NAL Files

2021P NAL File

Section 3: Methodology (Include Assumptions and Attach Details)

It is believed that this change would impact only one parcel at this time. This specific parcel was identified in the NAL rolls from 2015 through 2021 to determine its taxable value and the growth of this value. The parcel’s taxable value ranged from \$1.2-1.6m during this period. Multiplying the 2021P taxable value by the 2021 average statewide millage rates produced a tax liability of \$25,013.

The middle and low estimates assume that this is the only parcel qualifying for this additional exemption criteria. To account for potential additional parcels, the high estimate multiplies the impact by 3.

The average growth rate of this parcel’s value from 2015 to 2020 was 4.82%; the value dropped in 2021, lowering the five-year average growth rate to 2.28%. The higher growth rate was used to calculate the high and middle estimates; the lower average was used to calculate the low estimate.

Section 4: Proposed Fiscal Impact

Year	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ -	\$ (78,657)	\$ -	\$ (26,219)	\$ -	\$ (25,584)
2023-24	\$ (82,450)	\$ (82,450)	\$ (27,483)	\$ (27,483)	\$ (26,168)	\$ (26,168)
2024-25	\$ (86,426)	\$ (86,426)	\$ (28,809)	\$ (28,809)	\$ (26,766)	\$ (26,766)
2025-26	\$ (90,593)	\$ (90,593)	\$ (30,198)	\$ (30,198)	\$ (27,378)	\$ (27,378)
2026-27	\$ (94,962)	\$ (94,962)	\$ (31,654)	\$ (31,654)	\$ (28,003)	\$ (28,003)

List of affected Trust Funds:

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Exemption From Taxation for Educational Properties

Bill Number(s): [SB1126](#)

Section 5: Consensus Estimate (Adopted: 02/04/2022) The Conference adopted the high estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(Insignificant)	0.0	(0.1)	0.0	(0.1)
2023-24	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.1)	(0.1)
2024-25	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.1)	(0.1)
2025-26	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.1)	(0.1)
2026-27	(Insignificant)	(Insignificant)	(0.1)	(0.1)	(0.1)	(0.1)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(0.1)	0.0	(0.1)
2023-24	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2024-25	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2025-26	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)
2026-27	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(0.1)	(0.1)

Growth				
	JV, AV, TV		% Change	5-Year Average
2015	\$ 1,244,561			
2016	\$ 1,315,673		5.71%	
2017	\$ 1,400,247		6.43%	
2018	\$ 1,456,930		4.05%	
2019	\$ 1,490,188		2.28%	
2020	\$ 1,574,213		5.64%	4.82%
2021	\$ 1,464,392		-6.98%	2.28%

2021P Statewide Millage Rates		
	School	6.2797
	Nonschool	10.8009

2021 Tax Liability		
	School	\$ 9,195.94
	Nonschool	\$ 15,816.75
	Total	\$ 25,012.69

Assumptions			
	High	Middle	Low
Growth Rate	4.82%	4.82%	2.28%
Number of Similar Parcels	3	1	1

SB1126: Education Properties Exemption

School Impact			
	High	Middle	Low
2021-22	\$ (27,588)	\$ (9,196)	\$ (9,196)
2022-23	\$ (28,918)	\$ (9,639)	\$ (9,406)
2023-24	\$ (30,313)	\$ (10,104)	\$ (9,621)
2024-25	\$ (31,774)	\$ (10,591)	\$ (9,841)
2025-26	\$ (33,307)	\$ (11,102)	\$ (10,065)
2026-27	\$ (34,913)	\$ (11,638)	\$ (10,295)

Non School Impact			
	High	Middle	Low
2021-22	\$ (47,450)	\$ (15,817)	\$ (15,817)
2022-23	\$ (49,738)	\$ (16,579)	\$ (16,178)
2023-24	\$ (52,137)	\$ (17,379)	\$ (16,548)
2024-25	\$ (54,651)	\$ (18,217)	\$ (16,926)
2025-26	\$ (57,287)	\$ (19,096)	\$ (17,312)
2026-27	\$ (60,049)	\$ (20,016)	\$ (17,708)

Total Impact			
	High	Middle	Low
2021-22	\$ (75,038)	\$ (25,013)	\$ (25,013)
2022-23	\$ (78,657)	\$ (26,219)	\$ (25,584)
2023-24	\$ (82,450)	\$ (27,483)	\$ (26,168)
2024-25	\$ (86,426)	\$ (28,809)	\$ (26,766)
2025-26	\$ (90,593)	\$ (30,198)	\$ (27,378)
2026-27	\$ (94,962)	\$ (31,654)	\$ (28,003)

SB1126: Education Properties Exemption

School Impact						
Year	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ -	\$ (28,918)	\$ -	\$ (9,639)	\$ -	\$ (9,406)
2023-24	\$ (30,313)	\$ (30,313)	\$ (10,104)	\$ (10,104)	\$ (9,621)	\$ (9,621)
2024-25	\$ (31,774)	\$ (31,774)	\$ (10,591)	\$ (10,591)	\$ (9,841)	\$ (9,841)
2025-26	\$ (33,307)	\$ (33,307)	\$ (11,102)	\$ (11,102)	\$ (10,065)	\$ (10,065)
2026-27	\$ (34,913)	\$ (34,913)	\$ (11,638)	\$ (11,638)	\$ (10,295)	\$ (10,295)

Non-School Impact						
Year	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ -	\$ (49,738)	\$ -	\$ (16,579)	\$ -	\$ (16,178)
2023-24	\$ (52,137)	\$ (52,137)	\$ (17,379)	\$ (17,379)	\$ (16,548)	\$ (16,548)
2024-25	\$ (54,651)	\$ (54,651)	\$ (18,217)	\$ (18,217)	\$ (16,926)	\$ (16,926)
2025-26	\$ (57,287)	\$ (57,287)	\$ (19,096)	\$ (19,096)	\$ (17,312)	\$ (17,312)
2026-27	\$ (60,049)	\$ (60,049)	\$ (20,016)	\$ (20,016)	\$ (17,708)	\$ (17,708)

Total Impact						
Year	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ -	\$ (78,657)	\$ -	\$ (26,219)	\$ -	\$ (25,584)
2023-24	\$ (82,450)	\$ (82,450)	\$ (27,483)	\$ (27,483)	\$ (26,168)	\$ (26,168)
2024-25	\$ (86,426)	\$ (86,426)	\$ (28,809)	\$ (28,809)	\$ (26,766)	\$ (26,766)
2025-26	\$ (90,593)	\$ (90,593)	\$ (30,198)	\$ (30,198)	\$ (27,378)	\$ (27,378)
2026-27	\$ (94,962)	\$ (94,962)	\$ (31,654)	\$ (31,654)	\$ (28,003)	\$ (28,003)

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Rental of Homestead Property

Bill Number(s): HB1345

Entire Bill

Partial Bill: Section 2

Sponsor(s): Representative McFarland

Month/Year Impact Begins: July 2022

Date of Analysis: February 4, 2022

Section 1: Narrative

a. Current Law:

Section 196.061(1), Florida Statutes, indicates that renting substantially all of a dwelling results in the abandonment of a homestead exemption, unless the rental occurs after January 1 and is for less than 30 days per year over any 2 year period.

b. Proposed Change:

Section 196.061(1), Florida Statutes, is amended to add the following language:

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

Section 2: Description of Data and Sources

2021 Final Real Property Assessment Rolls, NAL data

Results of the January 6, 2022 Ad Valorem Revenue Estimating Conference

2021 Millage and Taxes Levied Report, 2021 Final Data Book published by Property Tax Oversight

Section 3: Methodology (Include Assumptions and Attach Details)

Using the real property tax roll, parcels are identified as relevant if they have both a non-zero assessed value on a homestead (av_hmstd) and a non-zero assessed value on non-homestead residential (av_non_hmstd_resd). For each parcel, the av_hmstd amount is grown by the homestead assessment cap rate from the Ad Valorem Conference. The av_non_hmstd_resd amount is grown by the 10 percent cap. These parcels were tracked over 5 years, and all parcels who maintained the same owner and had values for both av_hmstd and av_non_hmstd_resd were identified. Of that sample, the median growth of av_hmstd was the homestead assessment cap, the median growth of av_non_hmstd_resd was the 10 percent cap. The homestead exemption up to \$25,000 applying to school and non-school taxes and the additional homestead exemption up to \$25,000 on the value between \$50,000 and \$75,000 applying to non-school taxes are calculated for each year. Finally, the taxable values are estimated as the previous year’s taxable value, plus any growth in assessed value, minus any growth in the relevant exemption(s).

For the same parcels, the av_hmstd and av_non_hmstd_resd are added together to simulate the av_hmstd under the bill language. This amount is grown by the homestead assessment cap rate from the Ad Valorem Conference. The exemption amounts and taxable values under the bill are estimated using the same methodology above, just applied to the av_hmstd amount under the bill. The difference between the taxable value under the bill and the taxable value under current law is the impact on taxable value. These are applied by the 2021 school and non-school millage rates to arrive at a tax impact.

For the high estimate, all parcels having both a non-zero av_hmstd and a non-zero av_non_hmstd_resd are included. For the middle estimate, only parcels with a residential use code and only one building as well as all parcels with agricultural use codes are included. For the low estimate, only parcels with a single family residential use code and only one building are included.

The bill goes into effect July 1, 2022, and it does not indicate to which roll it is to first apply. As such, it is assumed that adjustments will be made to the 2022 roll and have a cash impact on the 2022-23 fiscal year. The recurring impact in all years is the estimated value for the 2026-27 fiscal year.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Rental of Homestead Property

Bill Number(s): HB1345

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(18.5 M)	\$(98.7 M)	\$(14.5 M)	\$(77.1 M)	\$(10.3 M)	\$(56.6 M)
2023-24	\$(31.3 M)	\$(98.7 M)	\$(24.5 M)	\$(77.1 M)	\$(17.7 M)	\$(56.6 M)
2024-25	\$(45.3 M)	\$(98.7 M)	\$(35.4 M)	\$(77.1 M)	\$(25.8 M)	\$(56.6 M)
2025-26	\$(61.4 M)	\$(98.7 M)	\$(47.9 M)	\$(77.1 M)	\$(35.1 M)	\$(56.6 M)
2026-27	\$(79.1 M)	\$(98.7 M)	\$(61.8 M)	\$(77.1 M)	\$(45.3 M)	\$(56.6 M)

List of affected Trust Funds: Ad Valorem

Section 5: Consensus Estimate (Adopted: 2/4/2022): At a minimum, the REC expects the high estimate to occur based on the analysis provided. The Conference believes that substantial behavioral changes are likely to occur. As a result, the adopted impact is only a portion of the total impact. The Conference adopted a negative indeterminate impact for the first year's cash.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(**)	(34.3)	(**)	(64.5)	(**)	(98.7)
2023-24	(9.1)	(34.3)	(22.2)	(64.5)	(31.3)	(98.7)
2024-25	(14.4)	(34.3)	(31.0)	(64.5)	(45.3)	(98.7)
2025-26	(20.3)	(34.3)	(41.0)	(64.5)	(61.4)	(98.7)
2026-27	(27.0)	(34.3)	(52.2)	(64.5)	(79.1)	(98.7)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	(**)	(98.7)	(**)	(98.7)
2023-24	0.0	0.0	0.0	0.0	(31.3)	(98.7)	(31.3)	(98.7)
2024-25	0.0	0.0	0.0	0.0	(45.3)	(98.7)	(45.3)	(98.7)
2025-26	0.0	0.0	0.0	0.0	(61.4)	(98.7)	(61.4)	(98.7)
2026-27	0.0	0.0	0.0	0.0	(79.1)	(98.7)	(79.1)	(98.7)

	A	B	C	D	E	F	G
1		AV_hmstd rate	non Homestead JV Rate				
2	2020						
3	2021	1.40%	10.00%				
4	2022	3.00%	10.00%				
5	2023	2.02%	10.00%				
6	2024	2.22%	10.00%				
7	2025	2.04%	10.00%				
8	2026	2.15%	10.00%				
9	2027	2.26%	10.00%				
10							
11		Current Law					
12		av_hmstd	av_non_hmstd_resd	exmpt_01	exmpt_02	tv_sd	tv_nsd
13	2021	\$ 23,482	\$ 46,949	\$ 23,482	\$ -	\$ 46,949	\$ 46,949
14	2022	\$ 24,186	\$ 51,644	\$ 24,186	\$ -	\$ 51,644	\$ 51,644
15	2023	\$ 24,675	\$ 56,808	\$ 24,675	\$ -	\$ 56,808	\$ 56,808
16	2024	\$ 25,223	\$ 62,489	\$ 25,000	\$ -	\$ 62,712	\$ 62,712
17	2025	\$ 25,737	\$ 68,738	\$ 25,000	\$ -	\$ 69,475	\$ 69,475
18	2026	\$ 26,291	\$ 75,612	\$ 25,000	\$ -	\$ 76,903	\$ 76,903
19							
20		Bill					
21		av_hmstd	av_non_hmstd_resd	exmpt_01	exmpt_02	tv_sd	tv_nsd
22	2021	\$ 70,431	\$ -	\$ 25,000	\$ 20,431	\$ 45,431	\$ 25,000
23	2022	\$ 72,544	\$ -	\$ 25,000	\$ 22,544	\$ 47,544	\$ 25,000
24	2023	\$ 74,009	\$ -	\$ 25,000	\$ 24,009	\$ 49,009	\$ 25,000
25	2024	\$ 75,652	\$ -	\$ 25,000	\$ 25,000	\$ 50,652	\$ 25,652
26	2025	\$ 77,196	\$ -	\$ 25,000	\$ 25,000	\$ 52,196	\$ 27,196
27	2026	\$ 78,855	\$ -	\$ 25,000	\$ 25,000	\$ 53,855	\$ 28,855
28							
29		Impact					
30		tv_sd	tv_nsd				
31	2021	\$ (1,518)	\$ (21,949)				
32	2022	\$ (4,100)	\$ (26,644)				
33	2023	\$ (7,799)	\$ (31,808)				
34	2024	\$ (12,060)	\$ (37,060)				
35	2025	\$ (17,280)	\$ (42,280)				
36	2026	\$ (23,047)	\$ (48,047)				

	A	B	C	D	E	F	G	H	I	J	K
1	All parcels with both homestead and non-homestead residential value										
2	Total Impact		Single Family		Other Residential		Ag		Other		
3	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	
4	2022	\$(688.1 M)	\$(1,315.1 M)	\$(422.6 M)	\$(789.0 M)	\$(259.3 M)	\$(513.8 M)	\$(5.5 M)	\$(11.2 M)	\$(0.7 M)	\$(1.2 M)
5	2023	\$(1,452.8 M)	\$(2,060.4 M)	\$(902.2 M)	\$(1,257.4 M)	\$(538.0 M)	\$(784.8 M)	\$(11.0 M)	\$(16.2 M)	\$(1.5 M)	\$(2.0 M)
6	2024	\$(2,290.3 M)	\$(2,877.0 M)	\$(1,427.4 M)	\$(1,770.7 M)	\$(843.4 M)	\$(1,081.7 M)	\$(17.1 M)	\$(21.8 M)	\$(2.4 M)	\$(2.8 M)
7	2025	\$(3,244.7 M)	\$(3,812.4 M)	\$(2,025.8 M)	\$(2,358.2 M)	\$(1,191.4 M)	\$(1,422.1 M)	\$(24.0 M)	\$(28.3 M)	\$(3.5 M)	\$(3.8 M)
8	2026	\$(4,299.3 M)	\$(4,847.5 M)	\$(2,687.0 M)	\$(3,008.2 M)	\$(1,576.1 M)	\$(1,798.8 M)	\$(31.7 M)	\$(35.5 M)	\$(4.6 M)	\$(4.9 M)
9											
10	One building residential and all agricultural parcels with both homestead and non-homestead residential value										
11	Total Impact		Single Family		Other Residential		Ag				
12	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd			
13	2022	\$(537.0 M)	\$(1,033.0 M)	\$(389.5 M)	\$(735.0 M)	\$(142.1 M)	\$(286.9 M)	\$(5.5 M)	\$(11.2 M)		
14	2023	\$(1,133.1 M)	\$(1,614.2 M)	\$(829.9 M)	\$(1,165.4 M)	\$(292.2 M)	\$(432.6 M)	\$(11.0 M)	\$(16.2 M)		
15	2024	\$(1,785.9 M)	\$(2,251.1 M)	\$(1,312.3 M)	\$(1,637.0 M)	\$(456.5 M)	\$(592.3 M)	\$(17.1 M)	\$(21.8 M)		
16	2025	\$(2,529.8 M)	\$(2,980.5 M)	\$(1,861.9 M)	\$(2,176.8 M)	\$(643.9 M)	\$(775.5 M)	\$(24.0 M)	\$(28.3 M)		
17	2026	\$(3,351.9 M)	\$(3,787.6 M)	\$(2,469.2 M)	\$(2,774.0 M)	\$(851.1 M)	\$(978.2 M)	\$(31.7 M)	\$(35.5 M)		

	A	B	C	D	E	F	G
1							
2	21-22 School Millage	6.27					
3	21-22 Non-School Millage	10.76					
4							
5	High	Middle	Low				
6	All categories and building counts	1-building residential and all ag	1-building single family residential				
7							
8	Impact on School						
9		High		Middle		Low	
10		Cash	Recurring	Cash	Recurring	Cash	Recurring
11	2022-23	\$(4.3 M)	\$(34.3 M)	\$(3.4 M)	\$(26.7 M)	\$(2.4 M)	\$(19.7 M)
12	2023-24	\$(9.1 M)	\$(34.3 M)	\$(7.1 M)	\$(26.7 M)	\$(5.2 M)	\$(19.7 M)
13	2024-25	\$(14.4 M)	\$(34.3 M)	\$(11.2 M)	\$(26.7 M)	\$(8.2 M)	\$(19.7 M)
14	2025-26	\$(20.3 M)	\$(34.3 M)	\$(15.9 M)	\$(26.7 M)	\$(11.7 M)	\$(19.7 M)
15	2026-27	\$(27.0 M)	\$(34.3 M)	\$(21.0 M)	\$(26.7 M)	\$(15.5 M)	\$(19.7 M)
16							
17	Impact on Non-School						
18		High		Middle		Low	
19		Cash	Recurring	Cash	Recurring	Cash	Recurring
20	2022-23	\$(14.1 M)	\$(64.5 M)	\$(11.1 M)	\$(50.4 M)	\$(7.9 M)	\$(37.0 M)
21	2023-24	\$(22.2 M)	\$(64.5 M)	\$(17.4 M)	\$(50.4 M)	\$(12.5 M)	\$(37.0 M)
22	2024-25	\$(31.0 M)	\$(64.5 M)	\$(24.2 M)	\$(50.4 M)	\$(17.6 M)	\$(37.0 M)
23	2025-26	\$(41.0 M)	\$(64.5 M)	\$(32.1 M)	\$(50.4 M)	\$(23.4 M)	\$(37.0 M)
24	2026-27	\$(52.2 M)	\$(64.5 M)	\$(40.7 M)	\$(50.4 M)	\$(29.8 M)	\$(37.0 M)
25							
26	Total Impact						
27		High		Middle		Low	
28		Cash	Recurring	Cash	Recurring	Cash	Recurring
29	2022-23	\$(18.5 M)	\$(98.7 M)	\$(14.5 M)	\$(77.1 M)	\$(10.3 M)	\$(56.6 M)
30	2023-24	\$(31.3 M)	\$(98.7 M)	\$(24.5 M)	\$(77.1 M)	\$(17.7 M)	\$(56.6 M)
31	2024-25	\$(45.3 M)	\$(98.7 M)	\$(35.4 M)	\$(77.1 M)	\$(25.8 M)	\$(56.6 M)
32	2025-26	\$(61.4 M)	\$(98.7 M)	\$(47.9 M)	\$(77.1 M)	\$(35.1 M)	\$(56.6 M)
33	2026-27	\$(79.1 M)	\$(98.7 M)	\$(61.8 M)	\$(77.1 M)	\$(45.3 M)	\$(56.6 M)

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Sales of Tax Certificates – Elimination of Deposits

Bill Number(s): SB1256

Entire Bill

Partial Bill:

Sponsor(s): Senator Gruters

Month/Year Impact Begins: July 2022

Date of Analysis: February 4, 2022

Section 1: Narrative

a. Current Law:

Section 197.432(7), Florida Statutes, allows tax collectors to require a deposit from any person wishing to bid for tax certificates. Should payment be owed and not made within 48 hours of notice, all or some of the deposit may be retained.

b. Proposed Change:

The language indicating that a deposit may be collected on persons wishing to bid and that it may be retained if payment is not made within 48 hours of notice is removed.

Section 2: Description of Data and Sources

Discussion with members of the Florida Tax Collectors Association

Section 3: Methodology (Include Assumptions and Attach Details)

The tax collectors indicate that most if not all deposits are fully refunded. The deposits are used as a signal of ability to pay, not a revenue source, and as such the impact of the change is assumed to be \$0.

If there are actual deposits retained by the tax collectors that would no longer be collected as a result of the bill, the impact would be negative indeterminate which is the low. If that amount was overwhelmed by the increase in bidders, resulting in additional sales and thus higher commission amounts, the impact would be positive indeterminate which is the high.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	**	**	\$0	\$0	(**)	(**)
2023-24	**	**	\$0	\$0	(**)	(**)
2024-25	**	**	\$0	\$0	(**)	(**)
2025-26	**	**	\$0	\$0	(**)	(**)
2026-27	**	**	\$0	\$0	(**)	(**)

List of affected Trust Funds: Local funds only

Section 5: Consensus Estimate (Adopted: 02/04/2022): The Conference adopted a zero/negative indeterminate impact.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2023-24	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2024-25	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2025-26	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2026-27	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Sales of Tax Certificates – Elimination of Deposits and Commissions

Bill Number(s): HB977

Entire Bill

Partial Bill:

Sponsor(s): Representative Caruso

Month/Year Impact Begins: July 2022

Date of Analysis: February 4, 2022

Section 1: Narrative

a. Current Law:

Section 197.432(7), Florida Statutes, allows tax collectors to require a deposit from any person wishing to bid for tax certificates. Should payment be owed and not made within 48 hours of notice, all or some of the deposit may be retained.

Section 197.432(12), Florida Statutes, entitles the tax collectors to a commission of 5 percent on the amount of delinquent taxes and interest when a tax certificate is sold.

b. Proposed Change:

The language indicating that a deposit may be collected on persons wishing to bid and that it may be retained if payment is not made within 48 hours of notice is removed.

The language indicating that the tax collector is entitled to a commission of 5 percent on the amount of delinquent taxes and interest when a tax certificate is sold is removed.

Section 2: Description of Data and Sources

Data provided by the Florida Tax Collectors Association

Section 3: Methodology (Include Assumptions and Attach Details)

The tax collectors indicate that most if not all deposits are fully refunded. The deposits are used as a signal of ability to pay, not a revenue source, and as such the impact of the change is assumed to be \$0.

Regarding the 5 percent commission, the Florida Tax Collectors Association provided county level historical detail on the face amount of certificates sold over the most recent 9 years. The 5 percent is added on to create that value, so the aggregated amount sold for each year is divided by 105% to determine the aggregated amount sold without the 5% commission. The difference between those 2 values is the total value of the commission for each year and the impact the bill would have had if it were in effect in those years. The values are fairly steady over the history.

For the low impact, the average impact over the 9-year history is used for all years. For the middle impact, the average growth rate over the 9-year history of 0.78% is used to grow the impact. For the high impact, the average growth rate over the most recent 3-years of 4.83% is used to grow the impact. The bill goes into effect July 1, 2022. Auctions are held on (or by) June 1 (see 197.402(3)). The data for the 2021 calendar year is therefore assumed to have been collected on June 1, 2021 and thus related to the 2020-21 fiscal year. The 2021-22 theoretical impact is calculated in between the known data and the proposed impact below using the stated low/middle/high methodology.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(43.6 M)	\$(43.6 M)	\$(40.3 M)	\$(40.3 M)	\$(38.1 M)	\$(38.1 M)
2023-24	\$(45.7 M)	\$(45.7 M)	\$(40.6 M)	\$(40.6 M)	\$(38.1 M)	\$(38.1 M)
2024-25	\$(47.9 M)	\$(47.9 M)	\$(40.9 M)	\$(40.9 M)	\$(38.1 M)	\$(38.1 M)
2025-26	\$(50.2 M)	\$(50.2 M)	\$(41.3 M)	\$(41.3 M)	\$(38.1 M)	\$(38.1 M)
2026-27	\$(52.6 M)	\$(52.6 M)	\$(41.6 M)	\$(41.6 M)	\$(38.1 M)	\$(38.1 M)

List of affected Trust Funds: Local funds only

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Sales of Tax Certificates – Elimination of Deposits and Commissions

Bill Number(s): HB977

Section 5: Consensus Estimate (Adopted: 02/04/2022): The Conference adopted a zero/negative indeterminate for the elimination of deposits and the following for the elimination of commissions (middle impact):

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	(40.3)	(40.3)	(40.3)	(40.3)
2023-24	0.0	0.0	0.0	0.0	(40.6)	(40.6)	(40.6)	(40.6)
2024-25	0.0	0.0	0.0	0.0	(40.9)	(40.9)	(40.9)	(40.9)
2025-26	0.0	0.0	0.0	0.0	(41.3)	(41.3)	(41.3)	(41.3)
2026-27	0.0	0.0	0.0	0.0	(41.6)	(41.6)	(41.6)	(41.6)

	A	B	C	D	E	F	G
1		AV_hmstd rate	non Homestead JV Rate				
2	2020						
3	2021	1.40%	10.00%				
4	2022	3.00%	10.00%				
5	2023	2.02%	10.00%				
6	2024	2.22%	10.00%				
7	2025	2.04%	10.00%				
8	2026	2.15%	10.00%				
9	2027	2.26%	10.00%				
10							
11		Current Law					
12		av_hmstd	av_non_hmstd_resd	exmpt_01	exmpt_02	tv_sd	tv_nsd
13	2021	\$ 23,482	\$ 46,949	\$ 23,482	\$ -	\$ 46,949	\$ 46,949
14	2022	\$ 24,186	\$ 51,644	\$ 24,186	\$ -	\$ 51,644	\$ 51,644
15	2023	\$ 24,675	\$ 56,808	\$ 24,675	\$ -	\$ 56,808	\$ 56,808
16	2024	\$ 25,223	\$ 62,489	\$ 25,000	\$ -	\$ 62,712	\$ 62,712
17	2025	\$ 25,737	\$ 68,738	\$ 25,000	\$ -	\$ 69,475	\$ 69,475
18	2026	\$ 26,291	\$ 75,612	\$ 25,000	\$ -	\$ 76,903	\$ 76,903
19							
20		Bill					
21		av_hmstd	av_non_hmstd_resd	exmpt_01	exmpt_02	tv_sd	tv_nsd
22	2021	\$ 70,431	\$ -	\$ 25,000	\$ 20,431	\$ 45,431	\$ 25,000
23	2022	\$ 72,544	\$ -	\$ 25,000	\$ 22,544	\$ 47,544	\$ 25,000
24	2023	\$ 74,009	\$ -	\$ 25,000	\$ 24,009	\$ 49,009	\$ 25,000
25	2024	\$ 75,652	\$ -	\$ 25,000	\$ 25,000	\$ 50,652	\$ 25,652
26	2025	\$ 77,196	\$ -	\$ 25,000	\$ 25,000	\$ 52,196	\$ 27,196
27	2026	\$ 78,855	\$ -	\$ 25,000	\$ 25,000	\$ 53,855	\$ 28,855
28							
29		Impact					
30		tv_sd	tv_nsd				
31	2021	\$ (1,518)	\$ (21,949)				
32	2022	\$ (4,100)	\$ (26,644)				
33	2023	\$ (7,799)	\$ (31,808)				
34	2024	\$ (12,060)	\$ (37,060)				
35	2025	\$ (17,280)	\$ (42,280)				
36	2026	\$ (23,047)	\$ (48,047)				

	A	B	C	D	E	F	G	H	I	J	K
1	All parcels with both homestead and non-homestead residential value										
2	Total Impact		Single Family		Other Residential		Ag		Other		
3	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	
4	2022	\$(688.1 M)	\$(1,315.1 M)	\$(422.6 M)	\$(789.0 M)	\$(259.3 M)	\$(513.8 M)	\$(5.5 M)	\$(11.2 M)	\$(0.7 M)	\$(1.2 M)
5	2023	\$(1,452.8 M)	\$(2,060.4 M)	\$(902.2 M)	\$(1,257.4 M)	\$(538.0 M)	\$(784.8 M)	\$(11.0 M)	\$(16.2 M)	\$(1.5 M)	\$(2.0 M)
6	2024	\$(2,290.3 M)	\$(2,877.0 M)	\$(1,427.4 M)	\$(1,770.7 M)	\$(843.4 M)	\$(1,081.7 M)	\$(17.1 M)	\$(21.8 M)	\$(2.4 M)	\$(2.8 M)
7	2025	\$(3,244.7 M)	\$(3,812.4 M)	\$(2,025.8 M)	\$(2,358.2 M)	\$(1,191.4 M)	\$(1,422.1 M)	\$(24.0 M)	\$(28.3 M)	\$(3.5 M)	\$(3.8 M)
8	2026	\$(4,299.3 M)	\$(4,847.5 M)	\$(2,687.0 M)	\$(3,008.2 M)	\$(1,576.1 M)	\$(1,798.8 M)	\$(31.7 M)	\$(35.5 M)	\$(4.6 M)	\$(4.9 M)
9											
10	One building residential and all agricultural parcels with both homestead and non-homestead residential value										
11	Total Impact		Single Family		Other Residential		Ag				
12	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd	tv_sd	tv_nsd			
13	2022	\$(537.0 M)	\$(1,033.0 M)	\$(389.5 M)	\$(735.0 M)	\$(142.1 M)	\$(286.9 M)	\$(5.5 M)	\$(11.2 M)		
14	2023	\$(1,133.1 M)	\$(1,614.2 M)	\$(829.9 M)	\$(1,165.4 M)	\$(292.2 M)	\$(432.6 M)	\$(11.0 M)	\$(16.2 M)		
15	2024	\$(1,785.9 M)	\$(2,251.1 M)	\$(1,312.3 M)	\$(1,637.0 M)	\$(456.5 M)	\$(592.3 M)	\$(17.1 M)	\$(21.8 M)		
16	2025	\$(2,529.8 M)	\$(2,980.5 M)	\$(1,861.9 M)	\$(2,176.8 M)	\$(643.9 M)	\$(775.5 M)	\$(24.0 M)	\$(28.3 M)		
17	2026	\$(3,351.9 M)	\$(3,787.6 M)	\$(2,469.2 M)	\$(2,774.0 M)	\$(851.1 M)	\$(978.2 M)	\$(31.7 M)	\$(35.5 M)		

	A	B	C	D	E	F	G
1							
2	21-22 School Millage	6.27					
3	21-22 Non-School Millage	10.76					
4							
5	High	Middle	Low				
6	All categories and building counts	1-building residential and all ag	1-building single family residential				
7							
8	Impact on School						
9		High		Middle		Low	
10		Cash	Recurring	Cash	Recurring	Cash	Recurring
11	2022-23	\$(4.3 M)	\$(34.3 M)	\$(3.4 M)	\$(26.7 M)	\$(2.4 M)	\$(19.7 M)
12	2023-24	\$(9.1 M)	\$(34.3 M)	\$(7.1 M)	\$(26.7 M)	\$(5.2 M)	\$(19.7 M)
13	2024-25	\$(14.4 M)	\$(34.3 M)	\$(11.2 M)	\$(26.7 M)	\$(8.2 M)	\$(19.7 M)
14	2025-26	\$(20.3 M)	\$(34.3 M)	\$(15.9 M)	\$(26.7 M)	\$(11.7 M)	\$(19.7 M)
15	2026-27	\$(27.0 M)	\$(34.3 M)	\$(21.0 M)	\$(26.7 M)	\$(15.5 M)	\$(19.7 M)
16							
17	Impact on Non-School						
18		High		Middle		Low	
19		Cash	Recurring	Cash	Recurring	Cash	Recurring
20	2022-23	\$(14.1 M)	\$(64.5 M)	\$(11.1 M)	\$(50.4 M)	\$(7.9 M)	\$(37.0 M)
21	2023-24	\$(22.2 M)	\$(64.5 M)	\$(17.4 M)	\$(50.4 M)	\$(12.5 M)	\$(37.0 M)
22	2024-25	\$(31.0 M)	\$(64.5 M)	\$(24.2 M)	\$(50.4 M)	\$(17.6 M)	\$(37.0 M)
23	2025-26	\$(41.0 M)	\$(64.5 M)	\$(32.1 M)	\$(50.4 M)	\$(23.4 M)	\$(37.0 M)
24	2026-27	\$(52.2 M)	\$(64.5 M)	\$(40.7 M)	\$(50.4 M)	\$(29.8 M)	\$(37.0 M)
25							
26	Total Impact						
27		High		Middle		Low	
28		Cash	Recurring	Cash	Recurring	Cash	Recurring
29	2022-23	\$(18.5 M)	\$(98.7 M)	\$(14.5 M)	\$(77.1 M)	\$(10.3 M)	\$(56.6 M)
30	2023-24	\$(31.3 M)	\$(98.7 M)	\$(24.5 M)	\$(77.1 M)	\$(17.7 M)	\$(56.6 M)
31	2024-25	\$(45.3 M)	\$(98.7 M)	\$(35.4 M)	\$(77.1 M)	\$(25.8 M)	\$(56.6 M)
32	2025-26	\$(61.4 M)	\$(98.7 M)	\$(47.9 M)	\$(77.1 M)	\$(35.1 M)	\$(56.6 M)
33	2026-27	\$(79.1 M)	\$(98.7 M)	\$(61.8 M)	\$(77.1 M)	\$(45.3 M)	\$(56.6 M)

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Valuation of Timeshares

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s): N/A

Month/Year Impact Begins: July 1, 2022

Date of Analysis: 02/04/2022

Section 1: Narrative

a. Current Law: ss. 192.037 currently states in part:

“(10) In making his or her assessment of timeshare real property, the property appraiser shall look first to the resale market.

(11) If there is an inadequate number of resales to provide a basis for arriving at value conclusions, then the property appraiser shall deduct from the original purchase price “usual and reasonable fees and costs of the sale.” For purposes of this subsection, “usual and reasonable fees and costs of the sale” for timeshare real property shall include all marketing costs, atypical financing costs, and those costs attributable to the right of a timeshare unit owner or user to participate in an exchange network of resorts. For timeshar real property, such “usual and reasonable fees and costs of the sale” shall be presumed to be 50 percent of the original purchase price; provided, however, such presumption shall be rebuttable.

(12) Subsections (10) and (11) apply to fee and non-fee timeshare real property.”

b. Proposed Change: ss. 192.037 (12) is inserted: “In any tax appeal regarding a timeshare unit, if the taxpayer asserts that there is an adequate number of resales for the subject property to provide a basis for arriving at value conclusions, the number of resales shall be considered adequate if the taxpayer provides a reasonable number of resales. This valuation methodology for timeshare units meets the requirement of just valuation as provided in s. 4, Art. VII of the State Constitution.”

Section 2: Description of Data and Sources

2021 NAL Tax Rolls

August 2021 Ad Valorem Assessment Estimating Conference

Consolidated Case Nos: 2012-CA-1293-OC

Consolidated Case Nos: 2016-CA-1006-OC

DBPR List of Registered Time Shares

Section 3: Methodology (Include Assumptions and Attach Details)

The cases referenced above highlight that the resale market does not appear robust enough to use as the basis of an appraisal. The property appraiser’s office involved in both cases argued that the more appropriate method of valuation is to look to developer sales as the original purchase price. There is a significant difference between the resale value and the purchase price valuation. Based on the above court cases, the resale price valuation method results in values that are between 75% or 40% lower than the purchase price method.

The proposed change directs the property appraiser to defer to the taxpayer for determination of whether the number of resales is adequate. The proposed change does not provide a lower bound on what an constitutes an adequate number. One resale might be an adequate number under the proposed change. It appears that the taxpayer could select whichever resale(s) generates the most advantageous valuation.

Timeshare properties are not assigned a unique use code in the NAL (real property) tax roll. Property appraisers were contacted around the state and we have aggregated their reported time share data. Four counties, Orange, Osceola, Volusia, and Palm Beach, represent the largest share (~85%) of timeshare properties by assessed value. Each provided a list of parcel numbers for timeshare properties in their county. These parcel identification numbers were then matched with the 2021 Final NAL tax roll and the school and non-school assessed values were extracted.

Total 2021 Final non-school assessed value for the properties is \$14,214,251,643 and school assessed value is \$14,350,944,316. Future year impacts were derived by using the August 2021 Ad Valorem Assessment Estimating Conference Non-Residential Assessed Values. It was assumed the millage rates would stay constant across the forecast period.

REVENUE ESTIMATING CONFERENCE

Tax: Ad Valorem

Issue: Valuation of Timeshares

Bill Number(s): Proposed Language

The high, medium and low forecasts were derived from using recent court decisions to determine the most common reduction claimed when small numbers of resale transactions were used to protest the current property appraiser’s assessments. These changes ranged from a forty percent reduction (low) to nearly seventy-five percent (high). The middle is presented as a 60% reduction.

The effective date is July 1, 2022 and would first impact protests for the 2023 tax year.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23		\$(188.5 M)		\$(150.8 M)		\$(100.6 M)
2023-24	\$(190.5 M)	\$(190.5 M)	\$(152.4 M)	\$(152.4 M)	\$(101.6 M)	\$(101.6 M)
2024-25	\$(190.6 M)	\$(190.6 M)	\$(152.5 M)	\$(152.5 M)	\$(101.7 M)	\$(101.7 M)
2025-26	\$(190.3 M)	\$(190.3 M)	\$(152.2 M)	\$(152.2 M)	\$(101.5 M)	\$(101.5 M)
2026-27	\$(190.1 M)	\$(190.1 M)	\$(152.1 M)	\$(152.1 M)	\$(101.4 M)	\$(101.4 M)

List of affected Trust Funds:

Section 5: Consensus Estimate (Adopted: 2/4/2022) The Conference adopted an adjusted high using a 70 percent reduction factor.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	(64.8)	0.0	(111.2)	0.0	(176.0)
2023-24	(65.5)	(65.5)	(112.3)	(112.3)	(177.8)	(177.8)
2024-25	(65.5)	(65.5)	(112.4)	(112.4)	(177.9)	(177.9)
2025-26	(65.4)	(65.4)	(112.2)	(112.2)	(177.6)	(177.6)
2026-27	(65.3)	(65.3)	(112.1)	(112.1)	(177.4)	(177.4)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	0.0	(176.0)	0.0	(176.0)
2023-24	0.0	0.0	0.0	0.0	(177.8)	(177.8)	(177.8)	(177.8)
2024-25	0.0	0.0	0.0	0.0	(177.9)	(177.9)	(177.9)	(177.9)
2025-26	0.0	0.0	0.0	0.0	(177.6)	(177.6)	(177.6)	(177.6)
2026-27	0.0	0.0	0.0	0.0	(177.4)	(177.4)	(177.4)	(177.4)

	A	B	C	D	E	F	G	H
1	Identified Timeshare Values							
2	County	Non-School Assessed Value of Timeshares 2021	School Assessed Value of Timeshares 2021					
3	Orange	\$ 8,418,005,563	\$ 8,418,005,563					
4	Osceola	\$ 2,892,867,750	\$ 2,934,925,805					
5	Volusia	\$ 377,128,682	\$ 377,128,682					
6	Palm Beach	\$ 366,514,167	\$ 374,356,671					
7	Total Including Rest of FL	\$ 14,214,251,643	\$ 14,350,944,316					
8	Top 4 % total	84.8%	84.3%					
9								
10	Non-residential Assessed Values December 2021 Ad Valorem Conference							
11	Calendar	Total	Growth Rates					
12	2020	777,908						
13	2021	813,145	4.53%					
14	2022	841,533	3.49%					
15	2023	879,916	4.56%					
16	2024	920,765	4.64%					
17	2025	961,794	4.46%					
18	2026	1,003,505	4.34%					
19	2027	1,046,226	4.26%					
20								
21		Assessed Value of Timeshares 2022	Assessed Value of Timeshares 2023	Assessed Value of Timeshares 2024	Assessed Value of Timeshares 2025	Assessed Value of Timeshares 2026	Assessed Value of Timeshares 2027	
22	Growth Rate	3.49%	4.56%	4.64%	4.46%	4.34%	4.26%	
23	Non-School Assessed Value 2021 adjusted by Growth Rate	\$ 14,710,490,537	\$ 14,862,575,144	\$ 14,874,130,501	\$ 14,847,634,244	\$ 14,830,694,094	\$ 14,819,377,721	
24	School Assessed Value 2021 adjusted by Growth Rate	\$ 14,851,955,338	\$ 15,005,502,480	\$ 15,017,168,961	\$ 14,990,417,900	\$ 14,973,314,843	\$ 14,961,889,645	
25								
26								

	A	B	C	D	E	F	G	H
27	Adjustment - High	70%						
28	Non-School	\$ 10,297,343,376	\$ 10,403,802,601	\$ 10,411,891,351	\$ 10,393,343,971	\$ 10,381,485,865	\$ 10,373,564,404	
29	School	\$ 10,396,368,736	\$ 10,503,851,736	\$ 10,512,018,272	\$ 10,493,292,530	\$ 10,481,320,390	\$ 10,473,322,751	
30	Adjustment -Medium	60%						
31	Non-School	\$ 8,826,294,322	\$ 8,917,545,086	\$ 8,924,478,301	\$ 8,908,580,546	\$ 8,898,416,456	\$ 8,891,626,632	
32	School	\$ 8,911,173,203	\$ 9,003,301,488	\$ 9,010,301,376	\$ 8,994,250,740	\$ 8,983,988,906	\$ 8,977,133,787	
33	Adjustment - Low	40%						
34	Non-School	\$ 5,884,196,215	\$ 5,945,030,058	\$ 5,949,652,200	\$ 5,939,053,698	\$ 5,932,277,637	\$ 5,927,751,088	
35	School	\$ 5,940,782,135	\$ 6,002,200,992	\$ 6,006,867,584	\$ 5,996,167,160	\$ 5,989,325,937	\$ 5,984,755,858	
36								
37	Millage Rates							
38	Non-School	10.7585						
39	School	6.2699						
40								
41	Impact - High							
42	Non-School	\$ 110,783,969	\$ 111,929,310	\$ 112,016,333	\$ 111,816,791	\$ 111,689,216	\$ 111,603,993	
43	School	\$ 65,184,192	\$ 65,858,100	\$ 65,909,303	\$ 65,791,895	\$ 65,716,831	\$ 65,666,686	
44	Impact -Medium							
45	Non-School	\$ 94,957,687	\$ 95,939,409	\$ 96,014,000	\$ 95,842,964	\$ 95,733,613	\$ 95,660,565	
46	School	\$ 55,872,165	\$ 56,449,800	\$ 56,493,689	\$ 56,393,053	\$ 56,328,712	\$ 56,285,731	
47	Impact - Low							
48	Non-School	\$ 63,305,125	\$ 63,959,606	\$ 64,009,333	\$ 63,895,309	\$ 63,822,409	\$ 63,773,710	
49	School	\$ 37,248,110	\$ 37,633,200	\$ 37,662,459	\$ 37,595,368	\$ 37,552,475	\$ 37,523,821	
50								
51		High		Middle		Low		
52		Cash	Recurring	Cash	Recurring	Cash	Recurring	
53	2022-23		\$ (176.0 M)		\$ (150.8 M)		\$ (100.6 M)	
54	2023-24	\$ (177.8 M)	\$ (177.8 M)	\$ (152.4 M)	\$ (152.4 M)	\$ (101.6 M)	\$ (101.6 M)	
55	2024-25	\$ (177.9 M)	\$ (177.9 M)	\$ (152.5 M)	\$ (152.5 M)	\$ (101.7 M)	\$ (101.7 M)	
56	2025-26	\$ (177.6 M)	\$ (177.6 M)	\$ (152.2 M)	\$ (152.2 M)	\$ (101.5 M)	\$ (101.5 M)	
57	2026-27	\$ (177.4 M)	\$ (177.4 M)	\$ (152.1 M)	\$ (152.1 M)	\$ (101.4 M)	\$ (101.4 M)	

	B	C	D	E	F	G	H
2	Statewide Timeshare totals						
3	Row Labels	Parcel Count on NAL	Just Value	Assessed Value School District	Assessed Value Non-School District	Taxable Value School District	Taxable Value Non-School District
4	Manatee	1	No Data	No Data	No Data	No Data	No Data
5	Orange	72	8,418,005,563	8,418,005,563	8,418,005,563	8,418,005,563	8,418,005,563
6	Osceola	301	2,934,925,805	2,934,925,805	2,892,867,750	2,934,925,805	2,892,867,750
7	Volusia	50	377,128,682	377,128,682	377,128,682	377,128,682	377,128,682
8	Palm Beach	17	374,356,671	374,356,671	366,514,167	374,356,671	366,514,167
9	Broward	43	317,687,530	317,687,530	317,687,530	317,687,530	317,687,530
10	Monroe	40	261,973,218	261,973,218	257,844,764	261,973,218	257,844,764
11	Pinellas	25	284,605,920	284,605,920	241,566,156	284,605,920	241,566,156
12	Lake	9	215,276,869	215,276,869	204,818,699	215,276,869	204,818,699
13	Lee	38	211,125,460	211,125,460	202,592,380	211,125,460	202,592,380
14	Bay	1122	158,022,211	157,827,294	152,143,183	157,557,486	151,623,375
15	Collier	652	125,609,764	125,609,764	125,609,764	125,609,764	125,609,764
16	Brevard	18	135,134,070	135,134,070	123,961,820	135,134,070	123,961,820
17	Miami-Dade	5	102,268,253	102,268,253	102,151,709	102,268,253	102,151,709
18	Indian River	286	83,991,759	83,991,759	83,991,759	83,991,759	83,991,759
19	Sarasota	12	84,512,100	84,512,100	83,898,006	84,512,100	83,898,006
20	Okaloosa	494	80,498,580	80,498,580	80,498,580	80,498,580	80,498,580
21	Walton	8	61,782,138	61,782,138	61,782,138	61,782,138	61,782,138
22	St. Johns	301	61,393,400	61,393,400	61,383,179	61,393,400	61,383,179
23	St. Lucie	5	24,574,600	24,574,600	21,796,900	24,574,600	21,796,900
24	Polk	1	14,165,829	14,165,829	14,165,829	14,165,829	14,165,829
25	Flagler	4	10,346,400	10,346,400	10,346,400	10,346,400	10,346,400
26	Martin	1	5,981,350	5,981,350	5,981,350	5,981,350	5,981,350
27	Escambia	1	2,869,833	2,869,833	2,869,833	2,869,833	2,869,833
28	Charlotte	4	2,955,747	2,955,747	2,428,213	2,955,747	2,428,213
29	Highlands	1	1,111,800	1,111,800	1,111,800	1,111,800	1,111,800
30	Levy	1	1,062,983	1,062,983	1,062,983	1,062,983	1,062,983
31	Pasco	1	42,506	42,506	42,506	42,506	42,506
32	Grand Total	0	14,351,409,041	14,351,214,124	14,214,251,643	14,350,944,316	14,213,731,835

REVENUE ESTIMATING CONFERENCE

Tax: Aviation Taxes

Issue: Aviation Fuel Tax Repeal

Bill Number(s): Proposed Language

Entire Bill

Partial Bill:

Sponsor(s): NA

Month/Year Impact Begins: 07/01/2022

Date of Analysis: 02/04/2022

Section 1: Narrative

- a. **Current Law:** Part III of Chapter 206, F.S. imposes an excise tax of 4.27 cents per gallons upon every gallon of aviation fuel sold in this state or brought into the state for use.
- b. **Proposed Change:** Part III of Chapter 206, F.S. is repealed, ending the assessment of the 4.27 cent per gallon aviation fuel tax upon the effective date of this bill. Sections 163.3206, 206.42, 206.9915, 207.003, 207.005, 213.053, 332.007, and 332.009, F.S. are revised to conform existing language to the repeal of Part III of Chapter 206, F.S.

Section 2: Description of Data and Sources

01/11/22 Transportation Revenue Estimating Conference
 Phone and e-mail contact with staff from Florida DOR
 DOR Agency Bill Analysis for SB 1192, prepared 01/08/2020

Section 3: Methodology (Include Assumptions and Attach Details)

The repeal of the aviation fuel tax will result in revenue loss to the State Transportation Trust Fund, DOR Administrative Trust Funds via the administrative charge, and the General Revenue Fund via the 8% GR service charge. The current forecast of these amounts was retrieved directly from the latest Transportation REC. The recurring reduction reflects the tax’s elimination. For the FY 2022-23 cash impact, the forecast is adjusted to reflect the two month lag for collections. A portion of refunds has a four month lag. Thus, FY 2022-23 refunds will exceed total collections. The overage is shown as a negative adjustment to the State Transportation Trust Fund.

Section 4: Proposed Fiscal Impact

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23			(1.5)	(1.8)		
2023-24			(1.8)	(1.8)		
2024-25			(1.9)	(1.9)		
2025-26			(1.9)	(1.9)		
2026-27			(1.9)	(1.9)		

TRUST	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23			(19.9)	(21.3)		
2023-24			(21.2)	(21.2)		
2024-25			(21.5)	(21.5)		
2025-26			(21.8)	(21.8)		
2026-27			(22.1)	(22.1)		

List of affected Trust Funds:

General Revenue Fund
 State Transportation Trust Fund
 DOR Administrative Trust Fund

REVENUE ESTIMATING CONFERENCE

Tax: Aviation Taxes

Issue: Aviation Fuel Tax Repeal

Bill Number(s): Proposed Language

Section 5: Consensus Estimate (Adopted: 2/4/2022) The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(1.5)	(1.8)	(19.9)	(21.3)	0.0	0.0	(21.4)	(23.1)
2023-24	(1.8)	(1.8)	(21.2)	(21.2)	0.0	0.0	(23.0)	(23.0)
2024-25	(1.9)	(1.9)	(21.5)	(21.5)	0.0	0.0	(23.4)	(23.4)
2025-26	(1.9)	(1.9)	(21.8)	(21.8)	0.0	0.0	(23.7)	(23.7)
2026-27	(1.9)	(1.9)	(22.1)	(22.1)	0.0	0.0	(24.0)	(24.0)

	A	B	C	D	E	F	G
1	Proposed Language Aviation Fuel Tax Repeal						
2							
3	Current Forecast - Aviation Fuel Tax (millions)						
4		Gross Collections	Refunds	DOR Admin Charge	GR Service Charge	Net to STTF	
5	2022-23	\$ 59.1	\$ 36.0	\$ 0.1	\$ 1.8	\$ 21.2	
6	2023-24	\$ 60.5	\$ 37.5	\$ 0.1	\$ 1.8	\$ 21.1	
7	2024-25	\$ 61.6	\$ 38.2	\$ 0.1	\$ 1.9	\$ 21.4	
8	2025-26	\$ 62.5	\$ 38.8	\$ 0.1	\$ 1.9	\$ 21.7	
9	2026-27	\$ 63.3	\$ 39.3	\$ 0.1	\$ 1.9	\$ 22.0	
10	2027-28	\$ 64.1	\$ 39.7	\$ 0.1	\$ 2.0	\$ 22.3	
11	2028-29	\$ 64.8	\$ 40.1	\$ 0.1	\$ 2.0	\$ 22.6	
12	2029-30	\$ 65.5	\$ 40.5	\$ 0.1	\$ 2.0	\$ 22.9	
13	2030-31	\$ 66.1	\$ 40.9	\$ 0.1	\$ 2.0	\$ 23.1	
14							
15	New Forecast - Aviation Fuel Tax (millions)						
16		Gross Collections	Refunds	DOR Admin Charge	GR Service Charge	Net to STTF	STTF Refund Adjustment
17	2022-23 (cash)	\$ 9.9	\$ 12.0	\$ 0.02	\$ 0.3	\$ 3.5	\$ (2.1)
18	2022-23 (recurring)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	2023-24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	2024-25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	2025-26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	2026-27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	2027-28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	2028-29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	2029-30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	2030-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27							
28	Impact - Aviation Fuel Repeal						
29		Total	GR	Trust	Local		
30	2022-23 (cash)	\$ (21.4)	\$ (1.5)	\$ (19.9)	\$ -		
31	2022-23 (recurring)	\$ (23.1)	\$ (1.8)	\$ (21.3)	\$ -		
32	2023-24	\$ (23.0)	\$ (1.8)	\$ (21.2)	\$ -		
33	2024-25	\$ (23.4)	\$ (1.9)	\$ (21.5)	\$ -		
34	2025-26	\$ (23.7)	\$ (1.9)	\$ (21.8)	\$ -		
35	2026-27	\$ (24.0)	\$ (1.9)	\$ (22.1)	\$ -		
36	2027-28	\$ (24.4)	\$ (2.0)	\$ (22.4)	\$ -		
37	2028-29	\$ (24.7)	\$ (2.0)	\$ (22.7)	\$ -		
38	2029-30	\$ (25.0)	\$ (2.0)	\$ (23.0)	\$ -		
39	2030-31	\$ (25.2)	\$ (2.0)	\$ (23.2)	\$ -		

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Local Government Registration of Vacation Rentals

Bill Number(s): CS/SB 512

Entire Bill

Partial Bill – Section 3

Sponsor(s): Senator Burgess

Month/Year Impact Begins: Upon becoming law

Date of Analysis: February 4, 2022

Note: *This fiscal impact analysis addresses only Section 3 of the bill relating to authorization of a local vacation rental registration program and potential fiscal impacts to local government fee and fine revenues. On November 5, 2021, the REC considered the sales and use tax implications of SB 512 & HB 325 and adopted a zero cash and recurring fiscal impact.*

Section 1: Narrative

a. **Current Law:** Section 509.032(7)(b), F.S., states ...“A local law, ordinance, or regulation may not prohibit vacation rentals or regulate the duration or frequency of rental of vacation rentals. This paragraph does not apply to any local law, ordinance, or regulation adopted on or before June 1, 2011.”

Section 509.242(1)(c), F.S., defines a vacation rental as “... any unit or group of units in a condominium or cooperative or any individually or collectively owned single-family, two-family, three-family, or four-family house or dwelling unit that is also a transient public lodging establishment but that is not a timeshare project.”

Section 509.013(4)(a)1., F.S., defines a transient public lodging establishment as “... any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests.”

Section 509.242(1)(g), F.S., defines a timeshare project as “... a timeshare property, as defined in chapter 721, that is located in this state and that is also a transient public lodging establishment.”

Section 509.032(7)(c), F.S., states that the preemption specified in s. 509.032(7)(b), F.S., “... does not apply to any local law, ordinance, or regulation exclusively relating to property valuation as a criterion for vacation rental if the local law, ordinance, or regulation is required to be approved by the state land planning agency pursuant to an area of critical state concern designation.”

According to the Department of Economic Opportunity, the designated areas of critical state concern are:¹

1. Big Cypress Area (s. 380.055, F.S.), which includes portions of Collier, Miami-Dade, and mainland Monroe counties. The area consists of approximately 860,000 acres of which 729,000 acres are in the Big Cypress National Preserve.
2. Green Swamp Area (s. 380.0551, F.S.), which includes portions of Lake and Polk counties. The area consists of approximately 322,690 acres with portions lying in southern Lake and northern Polk counties.
3. City of Key West and the Florida Keys Area (s. 380.0552, F.S.), which encompasses the Keys portion of Monroe County. The Florida Keys Area designation includes the municipalities of Islamorada, Key Colony Beach, Layton, Marathon, and unincorporated Monroe County. The City of Key West challenged the designation as a Critical Area and after litigation in 1984 was given its own Area of Critical State Concern designation.
4. Apalachicola Bay Area (s. 380.0555, F.S.), which includes the City of Apalachicola. Initial designation of the Area included the cities of Apalachicola, Carrabelle, and unincorporated Franklin County. However, in 1993, all of the designation was repealed except for the City of Apalachicola.

¹ <https://floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/areas-of-critical-state-concern>

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Local Government Registration of Vacation Rentals

Bill Number(s): CS/SB 512

Brief History of Local Preemption of Vacation Rentals²

Prior to June 1, 2011, local governments could regulate vacation rentals. Legislation enacted in 2011 [i.e., Chapter 2011-119, L.O.F., codified as s. 509.032(7), F.S.] preempted the authority to regulate vacation rentals to the state. The preemption prevented local governments from enacting any *new* law, ordinance, or regulation that restricted the use of vacation rentals; prohibited vacation rentals; or regulated vacation rentals based solely on their classification, use, or occupancy. Also, the 2011 preemption “grandfathered” any local law, ordinance, or regulation of vacation rentals enacted on or prior to June 1, 2011.

Prior to the 2011 preemption, several municipalities had created regulations specifically relating to vacation rentals. In the January 28, 2022, House of Representatives Staff Analysis of CS/HB 325: Vacation Rentals, the cities of Bal Harbour Village (in Miami-Dade County) and Venice (in Sarasota County) and Monroe County were specifically cited as having regulations relating to vacation rentals.

In 2014, the Legislature further narrowed the scope of the preemption [i.e., Chapter 2014-71, L.O.F., codified as s. 509.032(7)(b), F.S.] to preempt only those local regulations that prohibit vacation rentals or regulate the duration or frequency of vacation rentals. Consequently, local governments can regulate vacation rentals to the extent those regulations do not prohibit vacation rentals or restrict the duration or frequency of vacation rentals. Additionally, the June 1, 2011 “grandfathered” provision was retained.

- b. Proposed Change:** The bill amends s. 509.032(7)(a), F.S., to expand the scope of state preemption of public lodging establishments and public food services establishments to include licensing.

The bill amends s. 509.032(7)(b), F.S., to state ... “A local law, ordinance, or regulation may not prohibit vacation rentals or regulate the duration or frequency of rental of vacation rentals. This paragraph does not apply to any local law, ordinance, or regulation adopted on or before June 1, 2011, including when such law, ordinance, or regulation is amended to be less restrictive or to comply with the local registration requirements provided in this paragraph, or when a law, ordinance, or regulation adopted after June 1, 2011, regulates vacation rentals, if such law, ordinance, or regulation is less restrictive than a law, ordinance, or regulation that was in effect on June 1, 2011.”

Notwithstanding the state preemption specified in s. 509.032(7)(a), F.S., the bill amends paragraph (b) to authorize the registration of vacation rentals via a local vacation rental registration program. Local governments may adopt a vacation rental registration program, as specified in the bill, and impose a fine of unspecified amount on the owner or operator of a vacation rental for failure to register under the local vacation rental registration program.

Local governments may charge a fee of no more than \$50 for processing an individual registration application or \$100 for processing a collective registration application. A local law, ordinance, or regulation may not require renewal of a registration more than once per year. However, if there is a change in ownership, the new owner may be required to submit a new registration application.

As a condition of registration, the local law, ordinance, or regulation may only require the owner or operator of a vacation rental to do the following.

- Submit identifying information about the owner or the owner’s agents and the subject vacation rental property.
- Obtain a license as a transient public lodging establishment issued by the Department of Business and Professional Regulation’s Division of Hotels & Restaurants, within 60 days after local registration.
- Obtain all required tax registrations, receipts, or certificates issued by the Department of Revenue, a county, or a municipality.
- Update required information on a continuing basis to ensure it is current.
- Comply with parking standards and solid waste handling and containment requirements, so long as such standards are not imposed solely on vacation rentals.

² As described in House of Representatives Staff Analysis of CS/HB 325, dated January 28, 2022, available at <https://www.myfloridahouse.gov/Sections/Documents/loadaddoc.aspx?FileName=h0325a.RRS.DOCX&DocumentType=Analysis&BillNumber=0325&Session=2022>

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Local Government Registration of Vacation Rentals

Bill Number(s): CS/SB 512

- Designate and maintain at all times a responsible party who is capable of responding to complaints and other immediate problems related to the vacation rental, including being available by telephone at a listed phone number.
- Pay in full all recorded municipal or county code liens against the subject property. The local government may withdraw its acceptance of a registration on the basis of an unsatisfied recorded municipal or county code lien.

Within 15 business days after receipt of an application, the local government must review the application for completeness and accept the registration or issue a written notice specifying the deficiencies. Such notice may be provided by U.S. mail or electronically. The vacation rental owner or operator and the local government may agree to a reasonable request to extend this time period.

When a local government denies a registration application, the local government must give written notice of denial to the applicant, and such notice may be sent by U.S. mail or electronically. The written notice must state with particularity the factual reasons for the denial and cite the applicable portions of an ordinance, rule, statute, or other legal authority for the registration's denial. A local government may not deny any applicant from reapplying if the applicant cures the identified deficiencies. If the local government fails to accept or deny the registration within the specified timeframes, the application is deemed accepted.

Upon the acceptance of a registration application, the local government must assign a unique registration number to the vacation rental or other indicia of registration and provide such registration number or other indicia of registration to the owner or operator of the vacation rental in writing or electronically.

The local government may terminate or refuse to issue or renew a registration when:

- The operation of the subject premises violates a registration requirement authorized pursuant to this legislation or a local law, ordinance, or regulation that does not apply solely to vacation rentals.
- The premises and its owner are the subject of a final order or judgment lawfully directing the termination of the premises' use as a vacation rental.

The bill maintains the exemption to the preemption in s. 509.032(7)(c), F.S., for areas of critical state concern.

Section 2: Description of Data and Sources

Florida Department of Business and Professional Regulation (DBPR), *Division of Hotels & Restaurants – Annual Report, FY 2014-15 through FY 2020-21*, Table 3: Public Lodging and Food Service Establishment License Accounts – End of Fiscal Year.³ In Table 3, license accounts are arranged by type of public lodging establishment and DBPR regulatory district. DBPR has divided the State into 7 regulatory districts, and each regulatory district consists of the following counties:

District 1: The two counties of Miami-Dade and Monroe.

District 2: The three counties of Broward, Martin, and Palm Beach.

District 3: The seven counties of Citrus, Hernando, Hillsborough, Pasco, Pinellas, Polk, and Sumter.

District 4: The eight counties of Brevard, Indian River, Lake, Orange, Osceola, St. Lucie, Seminole, and Volusia.

District 5: The twenty-one counties of Alachua, Baker, Bradford, Clay, Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Marion, Nassau, Putnam, St. Johns, Suwannee, Taylor, and Union.

District 6: The fifteen counties of Bay, Calhoun, Escambia, Gadsden, Gulf, Franklin, Holmes, Jackson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington.

District 7: The eleven counties of Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, Lee, Manatee, Okeechobee, and Sarasota.

Section 509.241, F.S., authorizes the Division to issue vacation rental licenses as follows:

- **Single** license is issued to an individual person or entity, but not a licensed agent, and may include one single-family house or townhouse, or a unit or group of units within a single building that are owned and operated by the same individual person or entity.

³ <http://www.myfloridalicense.com/DBPR/reports-and-publications/>

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Local Government Registration of Vacation Rentals

Bill Number(s): CS/SB 512

- **Group** license is issued to a licensed agent to cover all units within a building or group of buildings in a single complex and only covers units held out to the public as a place regularly rented to guests.
- **Collective** license is issued to a licensed agent who represents a collective group of houses or units found on separate locations not to exceed 75 houses per license.

County level summaries by fiscal year are produced by the Division.⁴

Section 3: Methodology (Include Assumptions and Attach Details)

Using data reported in the DBPR’s *Division of Hotels & Restaurants – Annual Reports*, the statewide numbers of condo and dwelling vacation rental license accounts (i.e., single, group, and collective) by regulatory district and year were compiled. Maps of the State’s four Areas of Critical State Concern, as described on Page 1 of this write-up, were reviewed. Based on the assumption that Areas of Critical State Concern are not impacted by the bill, the total number of license accounts in Franklin and Monroe counties were excluded to account for the City of Key West and the Florida Keys Areas and the Apalachicola Area. No numerical adjustment for the Big Cypress Area and Green Swamp Area was based on the assumption that these areas are largely undeveloped and may contain few vacation rentals.

Based on the assumption that single licenses would be considered “individual” per the bill, two separate statewide totals of condo and dwelling vacation rental license accounts (i.e., single license accounts and group & collective license accounts) were calculated from the historical data. The corresponding number of license accounts in Franklin and Monroe counties were subtracted from the separate statewide totals resulting in adjusted statewide totals. Compound annual growth rates for each regulatory district for the period: 2017-18 through 2020-21 were calculated. Using the calculated growth rates, the total number of vacation rental license accounts by district was projected into the forecast period.

For the high, middle and low impacts, the analysis assumes that county and municipal governments would assess the maximum fee of \$50 for processing an individual registration application (i.e., single licensee) and the maximum fee of \$100 for processing a collective registration application (i.e., group and collective licensees). Additionally, the high, middle, and low impacts assume that 90, 60, and 30 percent of vacation rentals, respectively, would be registered locally. Under the bill, a local government may impose a fine of unspecified amount on the owner or operator for failure to register a vacation rental; however, the proposed fiscal impacts do not reflect any possible fine revenue that county or municipal governments might receive. Additionally, the proposed fiscal impacts do not reflect any possible revenue to county or municipal governments from the payment of recorded code liens by the owners or operators of vacation rentals as a condition of registration.

Section 4: Proposed Fiscal Impact (Millions)

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$2.0	\$2.0	\$1.4	\$1.4	\$0.7	\$0.7
2023-24	\$2.5	\$2.5	\$1.7	\$1.7	\$0.8	\$0.8
2024-25	\$3.1	\$3.1	\$2.0	\$2.0	\$1.0	\$1.0
2025-26	\$3.9	\$3.9	\$2.6	\$2.6	\$1.3	\$1.3
2026-27	\$5.0	\$5.0	\$3.3	\$3.3	\$1.7	\$1.7

List of Affected Trust Funds: Local funds

⁴ <http://www.myfloridalicense.com/DBPR/hotels-restaurants/reports-statistics/#1490108070492-fe605b98-504f>

REVENUE ESTIMATING CONFERENCE

Tax: Local Taxes and Fees

Issue: Local Government Registration of Vacation Rentals

Bill Number(s): CS/SB 512

Section 5: Consensus Estimate (Adopted: 2/4/2022) The Conference adopted a positive indeterminate impact. The impact assumes that the bill provides authority to levy fees not authorized under current law.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	0.0	0.0	0.0	0.0	**	**	**	**
2023-24	0.0	0.0	0.0	0.0	**	**	**	**
2024-25	0.0	0.0	0.0	0.0	**	**	**	**
2025-26	0.0	0.0	0.0	0.0	**	**	**	**
2026-27	0.0	0.0	0.0	0.0	**	**	**	**

	A	B	C	D	E	F	G	H	I	J
1	Fiscal Impact Analysis of CS/SB 512									
2	Issue: Local Government Registration of Vacation Rentals									
3	Vacation Rental License Accounts - End of Fiscal Year									
4		DBPR's Regulatory Districts								
5	Fiscal Year	1	2	3	4	5	6	7	Total	
6										
7	2014-15									
8	Vacation Rentals - Condos	559	132	409	1,675	248	769	470	4,262	
9	Single	402	40	233	1,296	149	282	121	2,523	
10	Group	74	73	86	251	48	172	199	903	
11	Collective	83	19	90	128	51	315	150	836	
12	Vacation Rentals - Dwellings	697	267	3,676	6,507	196	721	629	12,693	
13	Single	569	193	3,473	6,204	128	466	390	11,423	
14	Group	24	10	21	33	8	18	21	135	
15	Collective	104	64	182	270	60	237	218	1,135	
16	2015-16									
17	Vacation Rentals - Condos	698	173	424	1,531	254	810	512	4,402	
18	Single	508	78	246	1,154	145	288	132	2,551	
19	Group	91	73	80	242	42	168	201	897	
20	Collective	99	22	98	135	67	354	179	954	
21	Vacation Rentals - Dwellings	729	430	3,380	6,203	202	805	790	12,539	
22	Single	580	310	3,155	5,834	123	513	496	11,011	
23	Group	23	14	22	39	8	18	21	145	
24	Collective	126	106	203	330	71	274	273	1,383	
25	2016-17									
26	Vacation Rentals - Condos	1,129	234	463	1,535	269	847	560	5,037	
27	Single	885	130	283	1,146	157	290	169	3,060	
28	Group	118	76	79	240	38	165	204	920	
29	Collective	126	28	101	149	74	392	187	1,057	
30	Vacation Rentals - Dwellings	854	755	3,294	6,253	248	872	920	13,196	
31	Single	690	569	3,032	5,818	160	544	578	11,391	
32	Group	33	33	27	52	8	21	29	203	
33	Collective	131	153	235	383	80	307	313	1,602	
34	2017-18									
35	Vacation Rentals - Condos	1,554	326	559	1,650	306	968	669	6,032	
36	Single	1,263	202	378	1,256	196	408	270	3,973	
37	Group	151	86	81	247	38	171	206	980	
38	Collective	140	38	100	147	72	389	193	1,079	
39	Vacation Rentals - Dwellings	996	1,147	3,485	6,726	362	1,074	1,084	14,874	
40	Single	831	927	3,197	6,229	265	734	723	12,906	
41	Group	36	54	34	68	9	28	39	268	
42	Collective	129	166	254	429	88	312	322	1,700	
43	2018-19									
44	Vacation Rentals - Condos	2,636	486	613	1,633	395	1,062	738	7,563	
45	Single	2,228	334	422	1,226	274	498	342	5,324	
46	Group	222	105	94	246	44	169	208	1,088	
47	Collective	186	47	97	161	77	395	188	1,151	
48	Vacation Rentals - Dwellings	1,197	1,698	3,273	6,582	480	1,137	1,283	15,650	
49	Single	997	1,429	2,979	6,052	380	787	900	13,524	
50	Group	58	72	45	73	9	29	42	328	
51	Collective	142	197	249	457	91	321	341	1,798	
52	2019-20									
53	Vacation Rentals - Condos	3,367	566	686	1,634	449	1,174	865	8,741	
54	Single	2,880	396	473	1,206	317	601	456	6,329	
55	Group	287	115	102	256	48	166	211	1,185	
56	Collective	200	55	111	172	84	407	198	1,227	
57	Vacation Rentals - Dwellings	1,482	2,159	3,381	6,623	669	1,302	1,651	17,267	
58	Single	1,247	1,827	3,045	6,023	542	913	1,223	14,820	
59	Group	72	95	56	85	16	36	57	417	
60	Collective	163	237	280	515	111	353	371	2,030	
61	2020-21									
62	Vacation Rentals - Condos	3,690	982	795	1,814	505	1,479	959	10,224	
63	Single	3,158	776	575	1,357	366	847	555	7,634	
64	Group	321	139	105	268	51	178	211	1,273	
65	Collective	211	67	115	189	88	454	193	1,317	
66	Vacation Rentals - Dwellings	1,720	2,436	3,564	6,927	869	1,744	2,046	19,306	
67	Single	1,453	2,071	3,182	6,244	730	1,289	1,595	16,564	
68	Group	83	112	66	97	23	41	70	492	
69	Collective	184	253	316	586	116	414	381	2,250	
70										
71										
72	Data Source: Department of Business and Professional Regulation, "Division of Hotel & Restaurants - Annual Reports" available at: http://www.myfloridalicense.com/DBPR/reports-and-publications/									

	A	B	C	D	E	F	G	H	I	J
73										
74		DBPR's Regulatory Districts								
75	Fiscal Year	1	2	3	4	5	6	7	Total	
76										
77	Statewide # of Single License Accounts									% Chg.
78	2014-15 Totals	971	233	3,706	7,500	277	748	511	13,946	-
79	2015-16 Totals	1,088	388	3,401	6,988	268	801	628	13,562	-2.8%
80	2016-17 Totals	1,575	699	3,315	6,964	317	834	747	14,451	6.6%
81	2017-18 Totals	2,094	1,129	3,575	7,485	461	1,142	993	16,879	16.8%
82	2018-19 Totals	3,225	1,763	3,401	7,278	654	1,285	1,242	18,848	11.7%
83	2019-20 Totals	4,127	2,223	3,518	7,229	859	1,514	1,679	21,149	12.2%
84	2020-21 Totals	4,611	2,847	3,757	7,601	1,096	2,136	2,150	24,198	14.4%
85										
86	Franklin County - # of Single License Accounts									
87	2014-15 Totals						84			
88	2015-16 Totals						91			
89	2016-17 Totals						89			
90	2017-18 Totals						103			
91	2018-19 Totals						101			
92	2019-20 Totals						99			
93	2020-21 Totals						110			
94										
95	Monroe County - # of Single License Accounts									
96	2014-15 Totals	823								
97	2015-16 Totals	860								
98	2016-17 Totals	985								
99	2017-18 Totals	1,107								
100	2018-19 Totals	1,194								
101	2019-20 Totals	1,247								
102	2020-21 Totals	1,334								
103										
104	Adjusted Statewide # of Single Accounts Less Franklin and Monroe Counties									% Chg.
105	2014-15 Totals	148	233	3,706	7,500	277	664	511	13,039	-
106	2015-16 Totals	228	388	3,401	6,988	268	710	628	12,611	-3.3%
107	2016-17 Totals	590	699	3,315	6,964	317	745	747	13,377	6.1%
108	2017-18 Totals	987	1,129	3,575	7,485	461	1,039	993	15,669	17.1%
109	2018-19 Totals	2,031	1,763	3,401	7,278	654	1,184	1,242	17,553	12.0%
110	2019-20 Totals	2,880	2,223	3,518	7,229	859	1,415	1,679	19,803	12.8%
111	2020-21 Totals	3,277	2,847	3,757	7,601	1,096	2,026	2,150	22,754	14.9%
112										
113	Compound Annual Growth Rates: 2017-18 to 2020-21	49.2%	36.1%	1.7%	0.5%	33.5%	24.9%	29.4%	13.2%	
114										
115	Projected # of Single License Accounts									% Chg.
116	2021-22	4,889	3,875	3,820	7,640	1,463	2,531	2,781	26,999	18.7%
117	2022-23	7,293	5,275	3,883	7,679	1,952	3,162	3,598	32,843	21.6%
118	2023-24	10,880	7,179	3,948	7,719	2,606	3,951	4,655	40,938	24.6%
119	2024-25	16,231	9,772	4,014	7,758	3,478	4,936	6,022	52,211	27.5%
120	2025-26	24,214	13,301	4,081	7,798	4,642	6,166	7,791	67,993	30.2%
121	2026-27	36,124	18,104	4,149	7,838	6,195	7,703	10,079	90,193	32.6%
122										

	A	B	C	D	E	F	G	H	I	J
123										
124		DBPR's Regulatory Districts								
125	Fiscal Year	1	2	3	4	5	6	7	Total	
126										
127	Statewide # of Group and Collective License Accounts									% Chg.
128	2014-15 Totals	285	166	379	682	167	742	588	3,009	-
129	2015-16 Totals	339	215	403	746	188	814	674	3,379	12.3%
130	2016-17 Totals	408	290	442	824	200	885	733	3,782	11.9%
131	2017-18 Totals	456	344	469	891	207	900	760	4,027	6.5%
132	2018-19 Totals	608	421	485	937	221	914	779	4,365	8.4%
133	2019-20 Totals	722	502	549	1,028	259	962	837	4,859	11.3%
134	2020-21 Totals	799	571	602	1,140	278	1,087	855	5,332	9.7%
135										
136	Franklin County - Total # of Group and Collective License Accounts									
137	2014-15 Totals						19			
138	2015-16 Totals						21			
139	2016-17 Totals						21			
140	2017-18 Totals						20			
141	2018-19 Totals						20			
142	2019-20 Totals						21			
143	2020-21 Totals						24			
144										
145	Monroe County - Total # of Group and Collective License Accounts									
146	2014-15 Totals	191								
147	2015-16 Totals	210								
148	2016-17 Totals	233								
149	2017-18 Totals	237								
150	2018-19 Totals	255								
151	2019-20 Totals	264								
152	2020-21 Totals	278								
153										
154	Adjusted Statewide # of Group and Collective License Accounts Less Franklin and Monroe Counties									% Chg.
155	2014-15 Totals	94	166	379	682	167	723	588	2,799	-
156	2015-16 Totals	129	215	403	746	188	793	674	3,148	12.5%
157	2016-17 Totals	175	290	442	824	200	864	733	3,528	12.1%
158	2017-18 Totals	219	344	469	891	207	880	760	3,770	6.9%
159	2018-19 Totals	353	421	485	937	221	894	779	4,090	8.5%
160	2019-20 Totals	458	502	549	1,028	259	941	837	4,574	11.8%
161	2020-21 Totals	521	571	602	1,140	278	1,063	855	5,030	10.0%
162										
163	Compound Annual Growth Rates: 2017-18 to 2020-21	33.5%	18.4%	8.7%	8.6%	10.3%	6.5%	4.0%	10.1%	
164										
165	Projected # of Group and Collective License Accounts									% Chg.
166	2021-22	696	676	654	1,238	307	1,132	889	5,591	11.2%
167	2022-23	928	800	711	1,344	338	1,206	925	6,252	11.8%
168	2023-24	1,239	948	773	1,459	373	1,284	962	7,038	12.6%
169	2024-25	1,655	1,122	840	1,583	412	1,368	1,000	7,980	13.4%
170	2025-26	2,209	1,329	913	1,719	454	1,456	1,040	9,121	14.3%
171	2026-27	2,949	1,573	992	1,866	501	1,551	1,082	10,515	15.3%
172										

	A	B	C	D	E	F	G	H	I	J
173	Note: Per the terms used in the bill, this analysis assumes that Single licensees would be completing an Individual registration application, and Group and Collective licensees would be completing a Collective registration application.									
174										
175										
176	DBPR's Regulatory Districts									
177	Fiscal Year	1	2	3	4	5	6	7	Total	
178										
179	High Impact: Assumes 90% of Vacation Rentals Are Registered and Assessed \$50 Fee for Individual and \$100 for Collective Registration Applications									
180	2022-23									
181	Single	\$ 328,192	\$ 237,354	\$ 174,755	\$ 345,570	\$ 87,854	\$ 142,299	\$ 161,924	\$ 1,477,948	
182	Group and Collective	\$ 83,562	\$ 72,044	\$ 63,991	\$ 120,920	\$ 30,456	\$ 108,512	\$ 83,236	\$ 562,721	
183	2023-24									
184	Single	\$ 489,608	\$ 323,068	\$ 177,672	\$ 347,346	\$ 117,255	\$ 177,777	\$ 209,479	\$ 1,842,205	
185	Group and Collective	\$ 111,551	\$ 85,301	\$ 69,544	\$ 131,273	\$ 33,602	\$ 115,565	\$ 86,569	\$ 633,405	
186	2024-25									
187	Single	\$ 730,412	\$ 439,735	\$ 180,637	\$ 349,131	\$ 156,496	\$ 222,101	\$ 271,000	\$ 2,349,513	
188	Group and Collective	\$ 148,915	\$ 100,999	\$ 75,579	\$ 142,512	\$ 37,073	\$ 123,077	\$ 90,035	\$ 718,189	
189	2025-26									
190	Single	\$ 1,089,652	\$ 598,535	\$ 183,652	\$ 350,925	\$ 208,868	\$ 277,476	\$ 350,590	\$ 3,059,698	
191	Group and Collective	\$ 198,794	\$ 119,584	\$ 82,138	\$ 154,713	\$ 40,902	\$ 131,077	\$ 93,640	\$ 820,849	
192	2026-27									
193	Single	\$ 1,625,577	\$ 814,680	\$ 186,717	\$ 352,729	\$ 278,768	\$ 346,657	\$ 453,554	\$ 4,058,682	
194	Group and Collective	\$ 265,380	\$ 141,590	\$ 89,266	\$ 167,958	\$ 45,127	\$ 139,597	\$ 97,390	\$ 946,309	
195										
196	Middle Impact: Assumes 60% of Vacation Rentals Are Registered and Assessed \$50 Fee for Individual and \$100 for Collective Registration Applications									
197	2022-23									
198	Single	\$ 218,795	\$ 158,236	\$ 116,504	\$ 230,380	\$ 58,570	\$ 94,866	\$ 107,949	\$ 985,299	
199	Group and Collective	\$ 55,708	\$ 48,029	\$ 42,661	\$ 80,613	\$ 20,304	\$ 72,341	\$ 55,491	\$ 375,147	
200	2023-24									
201	Single	\$ 326,405	\$ 215,378	\$ 118,448	\$ 231,564	\$ 78,170	\$ 118,518	\$ 139,653	\$ 1,228,136	
202	Group and Collective	\$ 74,367	\$ 56,868	\$ 46,363	\$ 87,515	\$ 22,401	\$ 77,043	\$ 57,713	\$ 422,270	
203	2024-25									
204	Single	\$ 486,941	\$ 293,157	\$ 120,425	\$ 232,754	\$ 104,331	\$ 148,067	\$ 180,667	\$ 1,566,342	
205	Group and Collective	\$ 99,277	\$ 67,332	\$ 50,386	\$ 95,008	\$ 24,715	\$ 82,051	\$ 60,023	\$ 478,793	
206	2025-26									
207	Single	\$ 726,435	\$ 399,023	\$ 122,435	\$ 233,950	\$ 139,246	\$ 184,984	\$ 233,727	\$ 2,039,799	
208	Group and Collective	\$ 132,529	\$ 79,723	\$ 54,759	\$ 103,142	\$ 27,268	\$ 87,385	\$ 62,427	\$ 547,232	
209	2026-27									
210	Single	\$ 1,083,718	\$ 543,120	\$ 124,478	\$ 235,153	\$ 185,845	\$ 231,105	\$ 302,370	\$ 2,705,788	
211	Group and Collective	\$ 176,920	\$ 94,394	\$ 59,511	\$ 111,972	\$ 30,085	\$ 93,065	\$ 64,927	\$ 630,872	
212										
213	Low Impact: Assumes 30% of Vacation Rentals Are Registered and Assessed \$50 Fee for Individual and \$100 for Collective Registration Applications									
214	2022-23									
215	Single	\$ 109,397	\$ 79,118	\$ 58,252	\$ 115,190	\$ 29,285	\$ 47,433	\$ 53,975	\$ 492,649	
216	Group and Collective	\$ 27,854	\$ 24,015	\$ 21,330	\$ 40,307	\$ 10,152	\$ 36,171	\$ 27,745	\$ 187,574	
217	2023-24									
218	Single	\$ 163,203	\$ 107,689	\$ 59,224	\$ 115,782	\$ 39,085	\$ 59,259	\$ 69,826	\$ 614,068	
219	Group and Collective	\$ 37,184	\$ 28,434	\$ 23,181	\$ 43,758	\$ 11,201	\$ 38,522	\$ 28,856	\$ 211,135	
220	2024-25									
221	Single	\$ 243,471	\$ 146,578	\$ 60,212	\$ 116,377	\$ 52,165	\$ 74,034	\$ 90,333	\$ 783,171	
222	Group and Collective	\$ 49,638	\$ 33,666	\$ 25,193	\$ 47,504	\$ 12,358	\$ 41,026	\$ 30,012	\$ 239,396	
223	2025-26									
224	Single	\$ 363,217	\$ 199,512	\$ 61,217	\$ 116,975	\$ 69,623	\$ 92,492	\$ 116,863	\$ 1,019,899	
225	Group and Collective	\$ 66,265	\$ 39,861	\$ 27,379	\$ 51,571	\$ 13,634	\$ 43,692	\$ 31,213	\$ 273,616	
226	2026-27									
227	Single	\$ 541,859	\$ 271,560	\$ 62,239	\$ 117,576	\$ 92,923	\$ 115,552	\$ 151,185	\$ 1,352,894	
228	Group and Collective	\$ 88,460	\$ 47,197	\$ 29,755	\$ 55,986	\$ 15,042	\$ 46,532	\$ 32,463	\$ 315,436	
229										
230										
231										
232		High			Middle		Low			
233	Proposed Fiscal Impact	Cash	Recurring	Cash	Recurring	Cash	Recurring			
234	2022-23	\$ 2,040,669	\$ 2,040,669	\$ 1,360,446	\$ 1,360,446	\$ 680,223	\$ 680,223			
235	2023-24	\$ 2,475,610	\$ 2,475,610	\$ 1,650,407	\$ 1,650,407	\$ 825,203	\$ 825,203			
236	2024-25	\$ 3,067,702	\$ 3,067,702	\$ 2,045,135	\$ 2,045,135	\$ 1,022,567	\$ 1,022,567			
237	2025-26	\$ 3,880,546	\$ 3,880,546	\$ 2,587,031	\$ 2,587,031	\$ 1,293,515	\$ 1,293,515			
238	2026-27	\$ 5,004,990	\$ 5,004,990	\$ 3,336,660	\$ 3,336,660	\$ 1,668,330	\$ 1,668,330			
239										
240	Notes: Under the bill, a local government may impose a fine of unspecified amount on the owner or operator for failure to register a vacation rental; however, the proposed fiscal impacts do not reflect any possible fine revenue that county or municipal governments might receive. Additionally, the proposed fiscal impacts do not reflect any possible revenue to county or municipal governments from the payment of recorded code liens by the owners or operators of vacation rentals as a condition of registration.									

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1															
2		DPBR		Vacation Rentals - Condos					Vacation Rentals - Dwellings					Group &	
3	Franklin County	District	Single	Group	Collective	Subtotal		Single	Group	Collective	Subtotal		Single	Collective	Grand
4	2014-15	6	3	-	2	5		81	-	17	98		84	19	103
5	2015-16	6	13	-	2	15		78	-	19	97		91	21	112
6	2016-17	6	18	-	2	20		71	-	19	90		89	21	110
7	2017-18	6	23	-	2	25		80	-	18	98		103	20	123
8	2018-19	6	21	-	2	23		80	1	17	98		101	20	121
9	2019-20	6	20	-	3	23		79	1	17	97		99	21	120
10	2020-21	6	21	-	3	24		89	1	20	110		110	24	134
11															
12															
13															
14		DPBR		Vacation Rentals - Condos					Vacation Rentals - Dwellings					Group &	
15	Monroe County	District	Single	Group	Collective	Subtotal		Single	Group	Collective	Subtotal		Single	Collective	Grand
16	2014-15	1	294	42	41	377		529	21	87	637		823	191	1,014
17	2015-16	1	328	43	43	414		532	20	104	656		860	210	1,070
18	2016-17	1	379	47	52	478		606	24	110	740		985	233	1,218
19	2017-18	1	418	51	54	523		689	25	107	821		1,107	237	1,344
20	2018-19	1	433	49	58	540		761	38	110	909		1,194	255	1,449
21	2019-20	1	433	52	58	543		814	39	115	968		1,247	264	1,511
22	2020-21	1	437	53	59	549		897	43	123	1,063		1,334	278	1,612
23															

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exempt Farm Trailers and Fencing

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

Entire Bill

Partial Bill:

Sponsor(s):

Month/Year Impact Begins: October 1st, 2022

Date of Analysis: February 4th, 2022

Section 1: Narrative

- a. Current Law:** Current law makes the first \$20,000 of trailers under 12,000 pounds exempt, so long as they are purchased by a farmer and used exclusively for agricultural purposes. Current law does not allow for any exemptions of hog wire, barbed wire fencing, or the materials used to construct them.
- b. Proposed Change:** The proposed language eliminates the requirement that a trailer be less than 12,000 pounds to receive the exemption and removes the \$20,000 cap on the exempt value. The language also adds exemptions for hog wire and barbed wire fencing, including gates and materials used in their construction.

Section 2: Description of Data and Sources

2021 USDA Annual Statistical Bulletin: Florida

Market Research in Trailer Pricing

Agriculture land data, Florida Department of Agriculture and Consumer Services

CPI from 12/2021 REC

Market based Price research

02/2017 impact analysis

Section 3: Methodology (Include Assumptions and Attach Details)

Trailers:

According to the USDA, Florida had, at last count, 47,400 farms. We assume each farm has 2 trailers that get replaced once every 30 years. These assumptions allow us to calculate that Florida sees 3,160 trailers replaced in a year.

$$47,400 \times 2 \times \frac{1}{30} = 3,160$$

Market research has allowed us to develop a maximum reasonable price for an agricultural trailer. We then assume that trailer pricing is skewed towards the right in the shape of an F distribution, meaning that most sales take place at low dollar values; as the dollar value of a hypothetical sale increases, we expect it occur at a decreasing probability. Taking this into account, we estimate 3 potential distributions of sale price. The low estimate assumes that 75% of sales occur at prices less than \$20,000 - the current exemption cap. The middle estimate assumes that 60% of sales occur at prices less than \$20,000 while the high assumes that only 50% of sales occur below that threshold. Combining this initial point on the distribution with our maximum reasonable price from market research allows us to estimate the probability of sales occurring at various prices between \$20,000 and our maximum. From there, arithmetic follows.

$$(Price\ Level - \$20,000) \times 6\% \times Price\ Level\ Probability \times 3,160 = Impact\ from\ this\ Price\ Level$$

Within each estimated distribution (low, middle, and high), the individual impacts from each price level are summed into an overall impact estimate.

Fencing:

It is assumed that there is no growth in the amount of farmland in use. It is assumed that all farmland that requires fencing has it at this time, and expenses for repair and replacement will be exempt under the proposed changes. It is assumed that all cattle pastures would be eligible for barbed wire, and that all remaining agricultural acreage would be eligible for hog wire. All prices are grown by the consumer price index.

The barbed wire analysis starts with an assumption about average cattle pasture size in acres. This starting point is used to find the number of pastures and the perimeter for each pasture. This number is also adjusted by percent of pastures fenced with barbed wire, and for shared fence lines. For both methods the total price for all fencing is multiplied by the repair and replacement percentages. This amount is multiplied by the sales tax rate for the impact.

The hog wire analysis assumes that the farmland not used for cattle would all be able to use hog wire. The hog wire analysis uses a method similar to the second method for barbed wire fencing. The average crop size is assumed and used to find the

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exempt Farm Trailers and Fencing

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

perimeter of the average crop. This number is adjusted by the percent of cropland fenced in hog wire, and for shared fence lines. The total price for all fencing is multiplied by the repair and replacement percentages. This amount is multiplied by the sales tax rate for the impact.

Model has been updated to reflect most current acreage data available for Total Farmland, Cattle

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

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$(12.6 M)	\$(21.6 M)	\$(8.8 M)	\$(15.1 M)	\$(4.9 M)	\$(8.4 M)
2023-24	\$(22.2 M)	\$(22.2 M)	\$(15.5 M)	\$(15.5 M)	\$(8.6 M)	\$(8.6 M)
2024-25	\$(22.8 M)	\$(22.8 M)	\$(15.9 M)	\$(15.9 M)	\$(8.9 M)	\$(8.9 M)
2025-26	\$(23.4 M)	\$(23.4 M)	\$(16.4 M)	\$(16.4 M)	\$(9.1 M)	\$(9.1 M)
2026-27	\$(24.0 M)	\$(24.0 M)	\$(16.8 M)	\$(16.8 M)	\$(9.4 M)	\$(9.4 M)

List of affected Trust Funds:

Section 5: Consensus Estimate (Adopted: 2/4/2022)

Fencing: The Conference adopted the middle estimate.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(6.7)	(11.5)	(Insignificant)	(Insignificant)	(0.2)	(0.4)	(0.6)	(1.1)
2023-24	(11.7)	(11.7)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.1)	(1.1)
2024-25	(12.0)	(12.0)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.1)	(1.1)
2025-26	(12.3)	(12.3)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)
2026-27	(12.6)	(12.6)	(Insignificant)	(Insignificant)	(0.4)	(0.4)	(1.2)	(1.2)

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(1.1)	(1.9)	(2.0)	(3.4)	(8.7)	(14.9)
2023-24	(1.9)	(1.9)	(3.5)	(3.5)	(15.2)	(15.2)
2024-25	(2.0)	(2.0)	(3.5)	(3.5)	(15.5)	(15.5)
2025-26	(2.0)	(2.0)	(3.6)	(3.6)	(15.9)	(15.9)
2026-27	(2.1)	(2.1)	(3.7)	(3.7)	(16.3)	(16.3)

Trailers: The Conference adopted the low estimate using an 80 percent adjustment factor.

	GR		Trust		Revenue Sharing		Local Half Cent	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.6)	(1.0)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2023-24	(1.1)	(1.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2024-25	(1.1)	(1.1)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2025-26	(1.2)	(1.2)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)
2026-27	(1.3)	(1.3)	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	(0.1)	(0.1)

REVENUE ESTIMATING CONFERENCE

Tax: Sales and Use Tax

Issue: Exempt Farm Trailers and Fencing

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

	Local Option		Total Local		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	(0.1)	(0.2)	(0.2)	(0.3)	(0.8)	(1.3)
2023-24	(0.2)	(0.2)	(0.3)	(0.3)	(1.4)	(1.4)
2024-25	(0.2)	(0.2)	(0.3)	(0.3)	(1.4)	(1.4)
2025-26	(0.2)	(0.2)	(0.4)	(0.4)	(1.6)	(1.6)
2026-27	(0.2)	(0.2)	(0.4)	(0.4)	(1.7)	(1.7)

	A	B	C	D	E	F	G
1	Barbed Wire						
2		High		Middle		Low	
3		Cash	Recurring	Cash	Recurring	Cash	Recurring
4	2022-23	\$ (3.4 M)	\$ (5.9 M)	\$ (2.2 M)	\$ (3.7 M)	\$ (0.9 M)	\$ (1.5 M)
5	2023-24	\$ (6.0 M)	\$ (6.0 M)	\$ (3.8 M)	\$ (3.8 M)	\$ (1.6 M)	\$ (1.6 M)
6	2024-25	\$ (6.1 M)	\$ (6.1 M)	\$ (3.9 M)	\$ (3.9 M)	\$ (1.6 M)	\$ (1.6 M)
7	2025-26	\$ (6.3 M)	\$ (6.3 M)	\$ (3.9 M)	\$ (3.9 M)	\$ (1.6 M)	\$ (1.6 M)
8	2026-27	\$ (6.4 M)	\$ (6.4 M)	\$ (4.0 M)	\$ (4.0 M)	\$ (1.7 M)	\$ (1.7 M)
9							
10	Hog Wire						
11		High		Middle		Low	
12		Cash	Recurring	Cash	Recurring	Cash	Recurring
13	2022-23	\$ (7.6 M)	\$ (13.1 M)	\$ (5.4 M)	\$ (9.3 M)	\$ (3.2 M)	\$ (5.5 M)
14	2023-24	\$ (13.4 M)	\$ (13.4 M)	\$ (9.5 M)	\$ (9.5 M)	\$ (5.6 M)	\$ (5.6 M)
15	2024-25	\$ (13.7 M)	\$ (13.7 M)	\$ (9.7 M)	\$ (9.7 M)	\$ (5.7 M)	\$ (5.7 M)
16	2025-26	\$ (14.0 M)	\$ (14.0 M)	\$ (9.9 M)	\$ (9.9 M)	\$ (5.8 M)	\$ (5.8 M)
17	2026-27	\$ (14.3 M)	\$ (14.3 M)	\$ (10.1 M)	\$ (10.1 M)	\$ (6.0 M)	\$ (6.0 M)
18							
19	Fencing SubTotal						
20		High		Middle		Low	
21		Cash	Recurring	Cash	Recurring	Cash	Recurring
22	2022-23	\$ (11.1 M)	\$ (19.0 M)	\$ (7.6 M)	\$ (13.0 M)	\$ (4.1 M)	\$ (7.0 M)
23	2023-24	\$ (19.4 M)	\$ (19.4 M)	\$ (13.3 M)	\$ (13.3 M)	\$ (7.1 M)	\$ (7.1 M)
24	2024-25	\$ (19.8 M)	\$ (19.8 M)	\$ (13.5 M)	\$ (13.5 M)	\$ (7.3 M)	\$ (7.3 M)
25	2025-26	\$ (20.2 M)	\$ (20.2 M)	\$ (13.9 M)	\$ (13.9 M)	\$ (7.5 M)	\$ (7.5 M)
26	2026-27	\$ (20.7 M)	\$ (20.7 M)	\$ (14.2 M)	\$ (14.2 M)	\$ (7.6 M)	\$ (7.6 M)
27							
28	Trailers						
29		High		Middle		Low	
30		Cash	Recurring	Cash	Recurring	Cash	Recurring
31	2022-23	\$ (1.6 M)	\$ (2.7 M)	\$ (1.3 M)	\$ (2.2 M)	\$ (0.7 M)	\$ (1.2 M)
32	2023-24	\$ (2.8 M)	\$ (2.8 M)	\$ (2.3 M)	\$ (2.3 M)	\$ (1.2 M)	\$ (1.2 M)
33	2024-25	\$ (3.0 M)	\$ (3.0 M)	\$ (2.4 M)	\$ (2.4 M)	\$ (1.3 M)	\$ (1.3 M)
34	2025-26	\$ (3.1 M)	\$ (3.1 M)	\$ (2.5 M)	\$ (2.5 M)	\$ (1.4 M)	\$ (1.4 M)
35	2026-27	\$ (3.3 M)	\$ (3.3 M)	\$ (2.7 M)	\$ (2.7 M)	\$ (1.4 M)	\$ (1.4 M)
36							
37	Total						
38		High		Middle		Low	
39		Cash	Recurring	Cash	Recurring	Cash	Recurring
40	2022-23	\$ (12.6 M)	\$ (21.6 M)	\$ (8.8 M)	\$ (15.1 M)	\$ (4.8 M)	\$ (8.2 M)
41	2023-24	\$ (22.2 M)	\$ (22.2 M)	\$ (15.5 M)	\$ (15.5 M)	\$ (8.4 M)	\$ (8.4 M)
42	2024-25	\$ (22.8 M)	\$ (22.8 M)	\$ (15.9 M)	\$ (15.9 M)	\$ (8.6 M)	\$ (8.6 M)
43	2025-26	\$ (23.4 M)	\$ (23.4 M)	\$ (16.4 M)	\$ (16.4 M)	\$ (8.8 M)	\$ (8.8 M)
44	2026-27	\$ (24.0 M)	\$ (24.0 M)	\$ (16.8 M)	\$ (16.8 M)	\$ (9.1 M)	\$ (9.1 M)

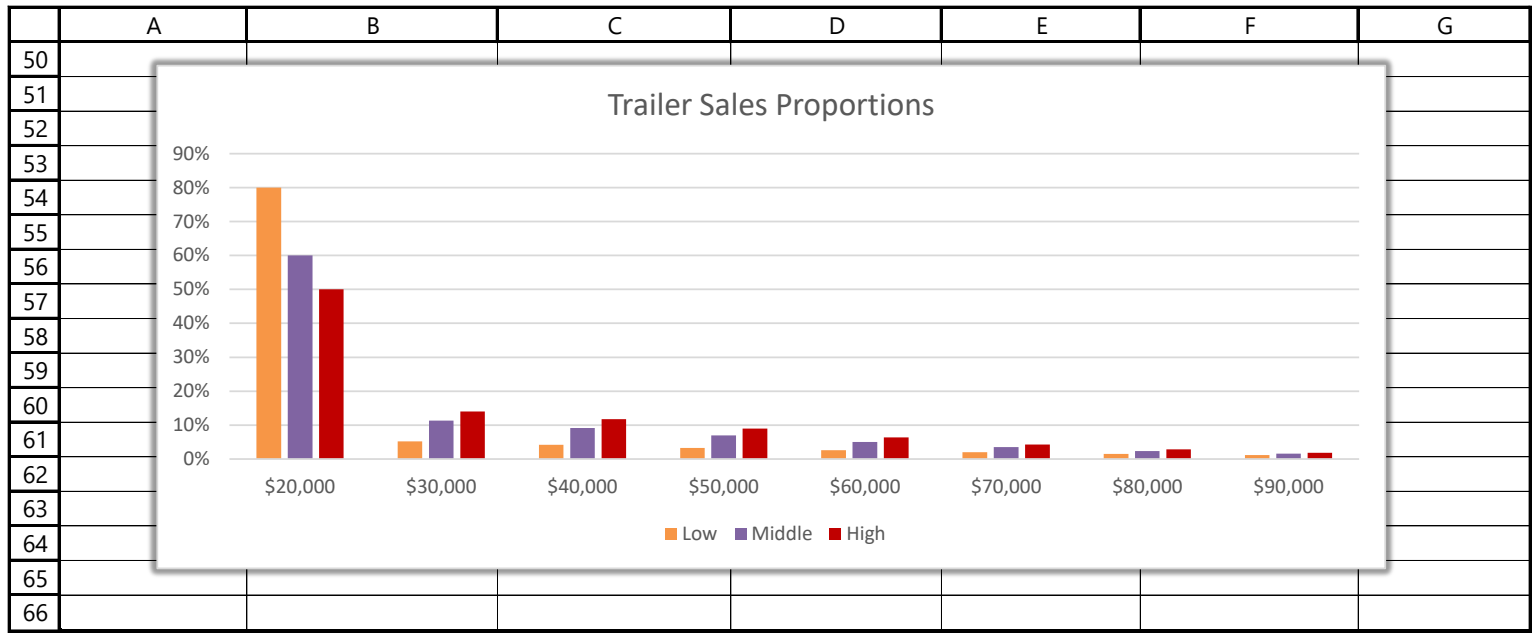
	A	B	C	D	E	F
1						
2	acreage	total farm land	Total cattle			
3	2021	9,700,000	5,342,147	5,342,147	0.551	
4						
5	Area of acre (ft²)		43,560			
6	perimeter of acre (ft)		834.84			
7						
8	CPI					
9	2020-21	1.6%				
10	2021-22	2.3%				
11	2022-23	5.4%				
12	2023-24	2.5%				
13	2024-25	2.2%				
14	2025-26	2.1%				
15	2026-27	2.2%				
16	2027-28	2.3%				
17	2028-29	2.4%				
18						
19	Barbed Wired Fencing Impact					
20						
21	Price per Foot for barbed wire fencing (includes posts and gates) grown at CPI					
22		High	Middle	Low		
23	2022-23	\$ 1.90	\$ 1.20	\$ 0.50		
24	2023-24	\$ 1.95	\$ 1.23	\$ 0.51		
25	2024-25	\$ 1.99	\$ 1.26	\$ 0.52		
26	2025-26	\$ 2.03	\$ 1.28	\$ 0.53		
27	2026-27	\$ 2.08	\$ 1.31	\$ 0.55		
28	2027-28	\$ 2.12	\$ 1.34	\$ 0.56		
29	2028-29	\$ 2.18	\$ 1.37	\$ 0.57		
30						

	A	B	C	D	E	F
31	Rate of Replacement			5%		
32	Rate of repair			10%		
33						
34	Average size of cattle pasture (acres)				100	
35	Percent of Cattle pasture fenced in barbed wire				100%	
36	Perimeter of Average cattle pasture (feet)				8,348.41	
37	Percent of Average Cattle pastures contiguous				25%	
38						
39	Price per Foot for barbed wire fencing (includes posts and gates) grown at CPI					
40		High	Middle	Low		
41	2022-23	\$ 1.90	\$ 1.20	\$ 0.50		
42	2023-24	\$ 1.9	\$ 1.2	\$ 0.5		
43	2024-25	\$ 2.0	\$ 1.3	\$ 0.5		
44	2025-26	\$ 2.0	\$ 1.3	\$ 0.5		
45	2026-27	\$ 2.1	\$ 1.3	\$ 0.5		
46	2027-28	\$ 2.1	\$ 1.3	\$ 0.6		
47	2028-29	\$ 2.2	\$ 1.4	\$ 0.6		
48						
49	Value of Currently installed barbed wire fencing (\$M)					
50		High	Middle	Low		
51	2022-23	\$ 651.4	\$ 411.4	\$ 171.4		
52	2023-24	\$ 665.7	\$ 420.5	\$ 175.2		
53	2024-25	\$ 679.7	\$ 429.3	\$ 178.9		
54	2025-26	\$ 694.7	\$ 438.7	\$ 182.8		
55	2026-27	\$ 710.7	\$ 448.8	\$ 187.0		
56						
57	Rate of Replacement			5%		
58	Rate of repair			10%		
59						
60	Price for Repair and Replacement of Currently installed barbed wire fencing (\$M)					
61		High	Middle	Low		
62	2022-23	\$ 97.7	\$ 61.7	\$ 25.7		
63	2023-24	\$ 99.9	\$ 63.1	\$ 26.3		
64	2024-25	\$ 102.0	\$ 64.4	\$ 26.8		
65	2025-26	\$ 104.2	\$ 65.8	\$ 27.4		
66	2026-27	\$ 106.6	\$ 67.3	\$ 28.1		
67						
68	Sales Tax on Repair and Replacement of Currently installed barbed wire fencing (\$M)					
69						
70		High	Middle	Low		
71	2022-23	\$ 5.9	\$ 3.7	\$ 1.5		
72	2023-24	\$ 6.0	\$ 3.8	\$ 1.6		
73	2024-25	\$ 6.1	\$ 3.9	\$ 1.6		
74	2025-26	\$ 6.3	\$ 3.9	\$ 1.6		
75	2026-27	\$ 6.4	\$ 4.0	\$ 1.7		

	A	B	C	D	E	F
1						
2	acreage	total farm land	Total cattle			
3	2021	9,700,000	5,342,147			
4						
5	Area of acre (ft²)		43,560			
6	perimeter of acre (ft)		834.84			
7						
8	Acres of Farmland that could use Hogwire				4,357,853	
9						
10	CPI					
11	2020-21	1.6%				
12	2021-22	2.3%				
13	2022-23	5.4%				
14	2023-24	2.5%				
15	2024-25	2.2%				
16	2025-26	2.1%				
17	2026-27	2.2%				
18	2027-28	2.3%				
19	2028-29	2.4%				
20						
21	Hogwire Fencing Impact					
22						
23	Average size of subdivided farmland (acres)				50	
24	Percent of Non-Cattle farmland fenced in hogwire				100%	
25	Perimeter of Average non-cattle fenced area (feet)				5,903	
26	Percent of Average Non-cattle contiguous				10%	
27						
28	Price per Foot for Hogwire fencing grown at CPI					
29		High	Middle	Low		
30	2020-21	\$ 3.0	\$ 2.1	\$ 1.3		
31	2021-22	\$ 3.1	\$ 2.2	\$ 1.3		
32	2022-23	\$ 3.1	\$ 2.2	\$ 1.3		
33	2023-24	\$ 3.2	\$ 2.3	\$ 1.3		
34	2024-25	\$ 3.3	\$ 2.3	\$ 1.4		
35	2025-26	\$ 3.4	\$ 2.4	\$ 1.4		
36	2026-27	\$ 3.4	\$ 2.4	\$ 1.4		

	A	B	C	D	E	F
37						
38	Value of Currently installed Hogwire fencing (\$M)					
39		High	Middle	Low		
40	2022-23	\$ 1,455.2	\$ 1,030.8	\$ 606.3		
41	2023-24	\$ 1,485.8	\$ 1,052.4	\$ 619.1		
42	2024-25	\$ 1,518.5	\$ 1,075.6	\$ 632.7		
43	2025-26	\$ 1,553.4	\$ 1,100.3	\$ 647.2		
44	2026-27	\$ 1,590.7	\$ 1,126.7	\$ 662.8		
45						
46	Rate of Replacement			5%		
47	Rate of repair			10%		
48						
49	Price for Repair and Replacement of Currently installed Hogwire fencing (\$M)					
50		High	Middle	Low		
51	2022-23	\$ 218.3	\$ 154.6	\$ 91.0		
52	2023-24	\$ 222.9	\$ 157.9	\$ 92.9		
53	2024-25	\$ 227.8	\$ 161.3	\$ 94.9		
54	2025-26	\$ 233.0	\$ 165.0	\$ 97.1		
55	2026-27	\$ 238.6	\$ 169.0	\$ 99.4		
56						
57	Sales Tax on Repair and Replacement of Currently installed Hogwire fencing (\$M)					
58						
59		High	Middle	Low		
60	2022-23	\$ 13.1	\$ 9.3	\$ 5.5		
61	2023-24	\$ 13.4	\$ 9.5	\$ 5.6		
62	2024-25	\$ 13.7	\$ 9.7	\$ 5.7		
63	2025-26	\$ 14.0	\$ 9.9	\$ 5.8		
64	2026-27	\$ 14.3	\$ 10.1	\$ 6.0		

	A	B	C	D	E	F	G
1		According to the USDA, Florida had 47,400 Farms in 2020					
2		Assume Each Farm has 2 Trailers					
3		Assume Each Trailer Gets Replaced once every 30 Years					
4							
5	Inputs				Dec-21 NEEC CPI Growth Rates		
6	Old Exemption Cap	\$	20,000.00		Year	Growth	
7	Sales Tax		6%		2022-23	5.4%	
8	Number Of Farms		47,400		2023-24	2.5%	
9	Trailers Per Farm		2		2024-25	2.2%	
10	Trailer Lifespan		30		2025-26	2.1%	
11	N Trailers Purchased in a Year		3,160		2026-27	2.2%	
12	F Max Probability		0.98				
13	F Adjustment Factor		0.00286				
14							
15	Low						
16	Price of Trailer	Old Taxable Amt	Old Tax Revenue	Trailer Prop	Number Bought	Year 0 Impact	
17	\$ 20,000	\$ -	\$ -	80%	2,528	\$ -	
18	\$ 30,000	\$ 10,000	\$ 600	5.2%	166	\$ 99,423	
19	\$ 40,000	\$ 20,000	\$ 1,200	4.2%	133	\$ 159,621	
20	\$ 50,000	\$ 30,000	\$ 1,800	3.3%	105	\$ 188,470	
21	\$ 60,000	\$ 40,000	\$ 2,400	2.6%	81	\$ 194,982	
22	\$ 70,000	\$ 50,000	\$ 3,000	2.0%	62	\$ 187,452	
23	\$ 80,000	\$ 60,000	\$ 3,600	1.5%	48	\$ 172,544	
24	\$ 90,000	\$ 70,000	\$ 4,200	1.2%	37	\$ 155,046	
25				100.0%	3,160	\$ 1,157,538	
26							
27	Middle						
28	Price of Trailer	Old Taxable Amt	Old Tax Revenue	Trailer Prop	Number Bought	Year 0 Impact	
29	\$ 20,000	\$ -	\$ -	60.0%	1,896	\$ -	
30	\$ 30,000	\$ 10,000	\$ 600	11.3%	359	\$ 215,107	
31	\$ 40,000	\$ 20,000	\$ 1,200	9.2%	290	\$ 347,545	
32	\$ 50,000	\$ 30,000	\$ 1,800	7.0%	220	\$ 395,643	
33	\$ 60,000	\$ 40,000	\$ 2,400	5.0%	159	\$ 381,212	
34	\$ 70,000	\$ 50,000	\$ 3,000	3.5%	111	\$ 332,153	
35	\$ 80,000	\$ 60,000	\$ 3,600	2.4%	75	\$ 271,639	
36	\$ 90,000	\$ 70,000	\$ 4,200	1.6%	51	\$ 214,428	
37				100%	3,160	\$ 2,157,727	
38							
39	High						
40	Price of Trailer	Old Taxable Amt	Old Tax Revenue	Trailer Prop	Number Bought	Year 0 Impact	
41	\$ 20,000	\$ -	\$ -	50.0%	1,580	\$ -	
42	\$ 30,000	\$ 10,000	\$ 600	14.0%	444	\$ 266,154	
43	\$ 40,000	\$ 20,000	\$ 1,200	11.7%	370	\$ 444,330	
44	\$ 50,000	\$ 30,000	\$ 1,800	8.9%	283	\$ 508,877	
45	\$ 60,000	\$ 40,000	\$ 2,400	6.4%	201	\$ 483,148	
46	\$ 70,000	\$ 50,000	\$ 3,000	4.3%	136	\$ 408,218	
47	\$ 80,000	\$ 60,000	\$ 3,600	2.8%	89	\$ 319,900	
48	\$ 90,000	\$ 70,000	\$ 4,200	1.8%	57	\$ 240,154	
49				100%	3,160	\$ 2,670,781	



Impact						
Year	Low		Middle		High	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2022-23	\$ (.68) M	\$ (1.16) M	\$ (1.26) M	\$ (2.16) M	\$ (1.56) M	\$ (2.67) M
2023-24	\$ (1.22) M	\$ (1.22) M	\$ (2.27) M	\$ (2.27) M	\$ (2.82) M	\$ (2.82) M
2024-25	\$ (1.29) M	\$ (1.29) M	\$ (2.4) M	\$ (2.4) M	\$ (2.97) M	\$ (2.97) M
2025-26	\$ (1.36) M	\$ (1.36) M	\$ (2.53) M	\$ (2.53) M	\$ (3.13) M	\$ (3.13) M
2026-27	\$ (1.43) M	\$ (1.43) M	\$ (2.66) M	\$ (2.66) M	\$ (3.3) M	\$ (3.3) M