

**FLORIDA  
REVENUE ESTIMATING CONFERENCE**

**2025  
FLORIDA TAX HANDBOOK**  
Including  
**Fiscal Impact of Potential Changes**



**Honorable Ron DeSantis  
Governor  
State of Florida**

**Honorable Ben Albritton  
President  
Florida Senate**

**Honorable Daniel Perez  
Speaker  
House of Representatives**



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## NOTE

The estimates in the 2025 edition of the Florida Tax Handbook are as accurate as possible given the scope of the document. An attempt has been made to provide point estimates for the fiscal impact of all current exemptions, refunds and allowances, and potential rate changes. Such point estimates, however, may imply greater accuracy than was possible with the time and resources available. In many cases the estimates should be viewed more as an indication of the approximate or relative impact of a law change. As specific legislation is identified during the course of each session, more in-depth analysis will be undertaken which may lead to revisions.

The estimates presented in this book show the revenue impact as if the proposed tax law changes were in effect for the entire year. Normal delays caused by collection and implementation lags will reduce the actual revenue impact in the first year. Tax law changes that only affect revenues for part of a year will further modify the estimates. As a general rule, these estimates make no adjustments for the changes in quantity demanded resulting from changes to the tax rate, nor do they reflect potential losses due to tax avoidance behavior or unusual compliance and enforcement problems. It should also be noted that estimates presented in these analyses are based on historical data from annual collections through Fiscal Year 2024-25.

As each session begins, Impact Conferences are held to consider specific legislative proposals. Those results should be considered the most recent and complete expressions of fiscal impact. The results can be viewed online at <http://edr.state.fl.us/Content/conferences/revenueimpact/index.cfm>. Please note that the underlying revenue forecasts are typically updated three times each year: in preparation for the Long-Range Financial Outlook, the Governor's budget recommendations, and the General Appropriations Act enacted by the Legislature. The latest forecasts can be viewed online at <http://edr.state.fl.us/Content/conferences/index.cfm>.

With one exception, all estimates and projections used in this Handbook are based on the series of estimating conferences held June 30, 2025 through August 15, 2025. The exception was supplemental material adopted at the Ad Valorem conference held on October 24, 2025. For additional information regarding a specific revenue source, please contact the Legislative Office of Economic and Demographic Research at (850) 487-1402.



## FOREWORD

The Revenue Estimating Conference is pleased to provide the 2025 edition of the Florida Tax Handbook, Including Fiscal Impact of Potential Changes. The Handbook provides statutory and administering authority for all major revenue sources, a review of tax collections and dispositions, base and rate information, and a brief history of the individual sources. The Handbook also provides current revenue estimates and presents a comprehensive and systematic look at the revenue potential of selected alternative tax sources. The information can be used to analyze the revenue effects of proposals for tax relief, tax increases, dealer allowances, changes in exemptions, or alterations to the tax base. The staffs of the Senate Committee on Finance and Tax, the House Ways & Means Committee, the Legislative Office of Economic and Demographic Research, the Governor's Office of Policy and Budget, the Florida Gaming Control Commission, and the Departments of Revenue, Highway Safety and Motor Vehicles, and Lottery provided the various analyses and updates.

The Handbook is divided into six sections.

Section I presents an overview of Florida's financial structure, including a summary of state tax preferences.

Section II presents an analysis of major and minor state revenue sources. For each major tax source, estimates are provided for the value of an incremental change (increase or decrease) in the existing rate. In addition, for each major tax, estimates are provided for the value of all major exemptions, refunds credits, dealer allowances, deductions, and current distributions. Where possible, estimates are also provided for alternative bases. The values of rate changes are not provided for the minor state revenue sources.

Section III contains information about major local government revenue sources that are explicitly authorized in the Florida Constitution or the Florida Statutes. Not included in this section are local government revenue sources that counties and municipalities impose under their home rule powers (e.g., impact fees, special assessments, fees, etc.); revenue sources authorized by special or local bills; and minor revenue sources authorized in the Florida Statutes. For a more comprehensive description of local government revenue sources, please refer to the Local Government Financial Information Handbook which can be accessed at <http://edr.state.fl.us/Content/local-government/reports/index.cfm#local-government>. As in Section II, estimates and analyses are provided where available.

Section IV analyzes several alternative tax sources that are significant. Attempts have been made, where information for analysis is available, to present estimates of revenues generated by these alternative taxes. A brief summary of the major advantages and disadvantages of each source is usually presented.

Section V discusses major pending litigation which may affect Florida's tax revenues in the future.

For further information or inquiries, contact the Legislative Office of Economic and Demographic Research, Room 574, Claude Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-6588, (850) 487-1402. Notice of any errors appearing in this publication should be sent to the staff of the Legislative Office of Economic and Demographic Research. Please feel free to offer suggestions for improvement of future editions. Copies of this and previous Tax Handbooks can be accessed online at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/index.cfm>.



# **FLORIDA'S FINANCIAL STRUCTURE**



## FLORIDA STATE TREASURY FUNDS

All money received by a state agency is required to be deposited into the treasury, unless specifically exempted from this requirement. Fund receipts can be made through a direct deposit or through a transfer from another fund. Disbursements from the treasury are by warrant drawn upon the treasury by the Chief Financial Officer after an agency that is authorized to make the expenditure initiates the action.

The state treasury consists of three types of funds in the custody of the Chief Financial Officer: (1) the General Revenue Fund; (2) Trust Funds; and (3) the Budget Stabilization Fund.

1. General Revenue Fund consists of all moneys received by the state from every source, except moneys deposited into trust funds and the Budget Stabilization Fund. In Fiscal Year 2024-25, about 39 percent of all taxes, licenses, fees, and other operating receipts were credited to General Revenue, either directly upon deposit into the treasury or by transfer from various clearing and distribution accounts of the trust funds. Beginning in Fiscal Year 2009-10, an 8 percent service charge on all income of a revenue nature deposited into trust funds is also deducted and deposited into the General Revenue Fund. Partial and full exceptions from this requirement are made for trust funds enumerated in subsection (2) of s. 215.20, F.S., and in s. 215.22, F.S. In this regard, specific trust funds and revenues in the Department of Agriculture and Consumer Services and the Department of Citrus are assessed a 4 percent service charge, and other trust funds are exempt entirely.

2. Trust Funds consist of receipts that are earmarked for a specific purpose, either by general law, the Constitution, or a trust agreement. Each receipt is credited to the account related to the trust fund. Based on their principal uses, trust fund accounts can be grouped into the following distinct types:

- a. *Operations or operating* – program operations funded by program revenues.
- b. *Operations and maintenance* – depository for client services funded by third-party payers.
- c. *Administrative* – management activities that are departmental in nature funded by indirect cost earnings and assessments against trust funds.
- d. *Grants and donations* – grant or donor agreement activities funded by restricted contractual revenue from private and public nonfederal sources.
- e. *Agency working capital* – data processing centers (see s. 216.272, F.S.).
- f. *Clearing funds* – depository for collections pending distributions to other funds or lawful recipients.
- g. *Federal grant* – grant activities funded by restricted program revenues from federal sources.

3. Budget Stabilization Fund is required by the Florida Constitution and must be maintained at not less than 5 percent of the last completed fiscal year's General Revenue collections. Moneys in the fund may only be used to cover revenue shortfalls in the General Revenue Fund and for emergencies as defined by general law. Please see the separate section on the Budget Stabilization Fund within this document for additional detail.

Until 2005, Florida law provided for a separate Working Capital Fund consisting of the money in the General Revenue Fund that was in excess of the amount needed to meet General Revenue Fund appropriations. In 2005, the Working Capital Fund was repealed, and the following language was added to s. 215.32(2)(a), F.S., describing the General Revenue Fund: "Unallocated general revenue shall be considered the working capital balance of the state and shall consist of moneys in the General Revenue Fund that are in excess of the amount needed to meet General Revenue Fund appropriations for the current fiscal year."

Constitution of Florida: Article III, Section 19.

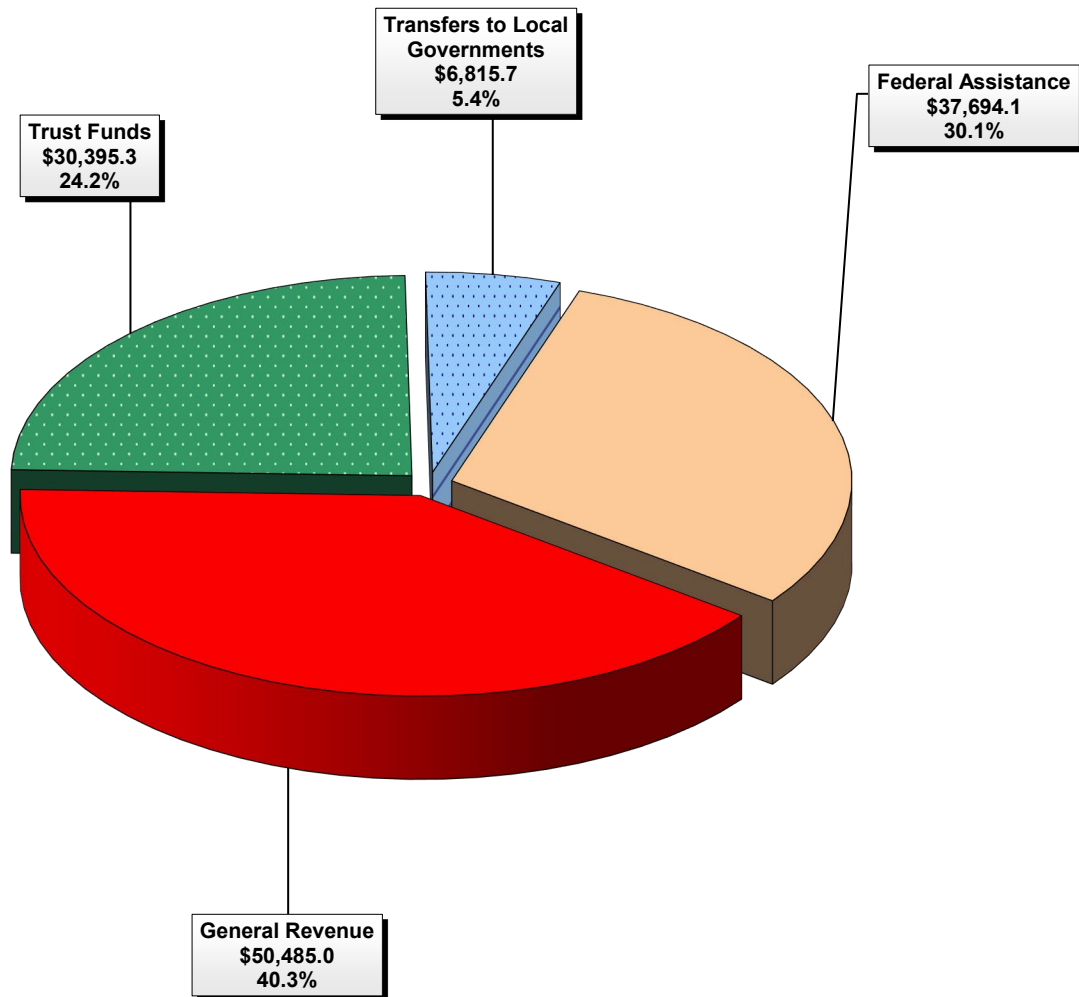
## **FLORIDA STATE TREASURY FUNDS**

Florida Statutes: Sections 215.18; 215.20; 215.211; 215.22; 215.31; 215.32; 215.35, 216.222; 216.272.

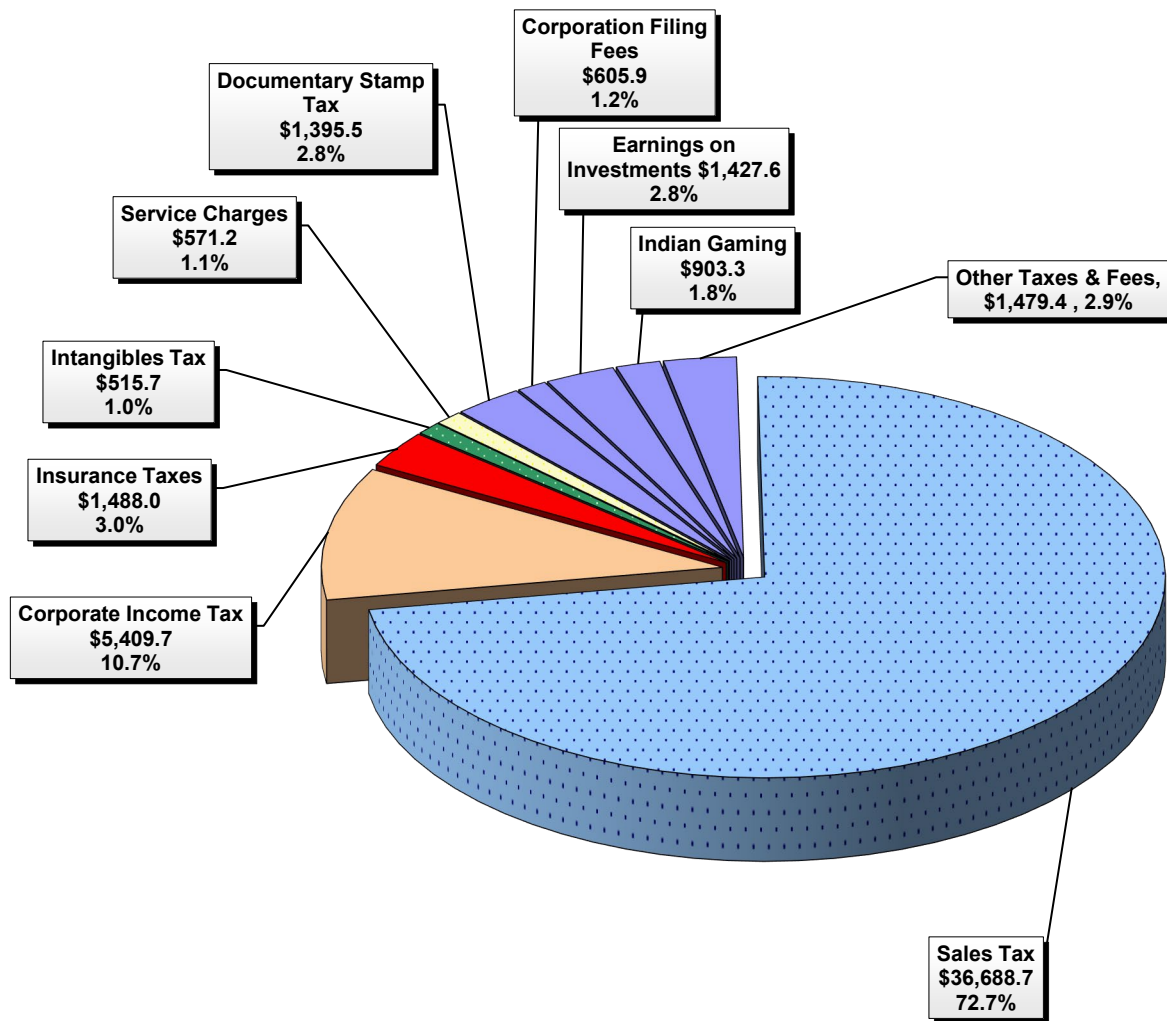
Laws of Florida: 22833(1945); 59-91; 59-257; 61-119; 73-196; 73-316; 87-247; 89-255; 89-356; 94-250; 98-73; 2000-371; 2001-376; 2005-152; 2009-71; 2009-78.



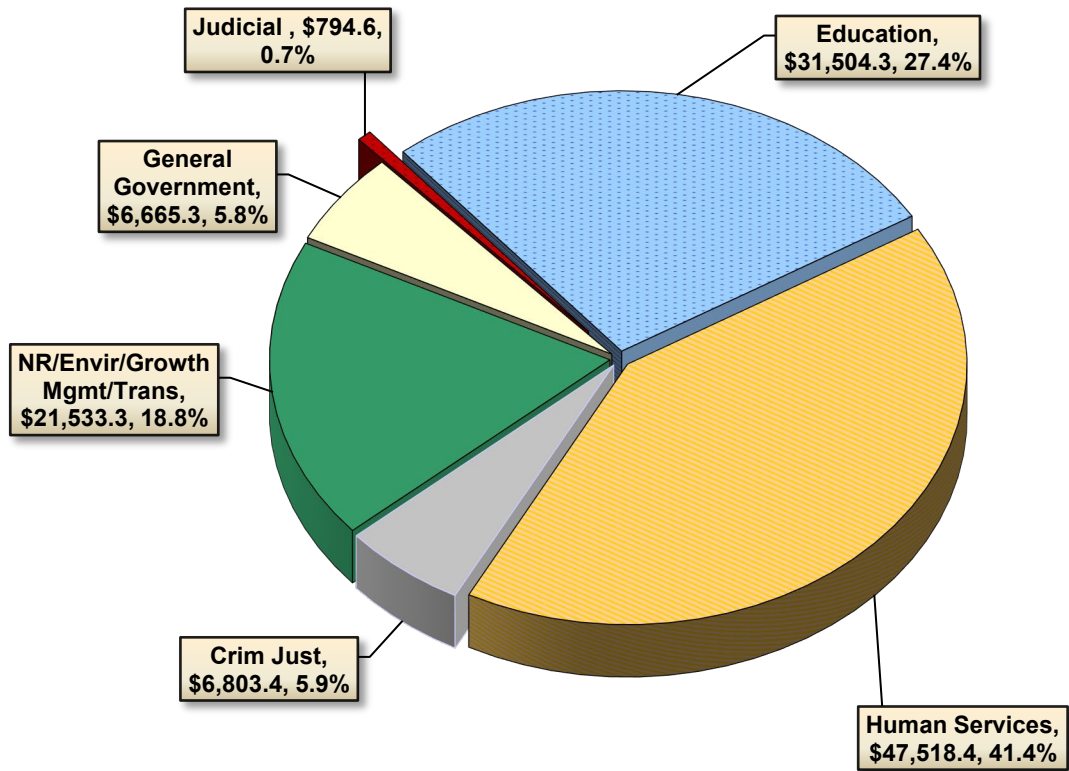
**Classification of State Receipts**  
**FY 2025-2026**  
**\$125,390.1 Million**



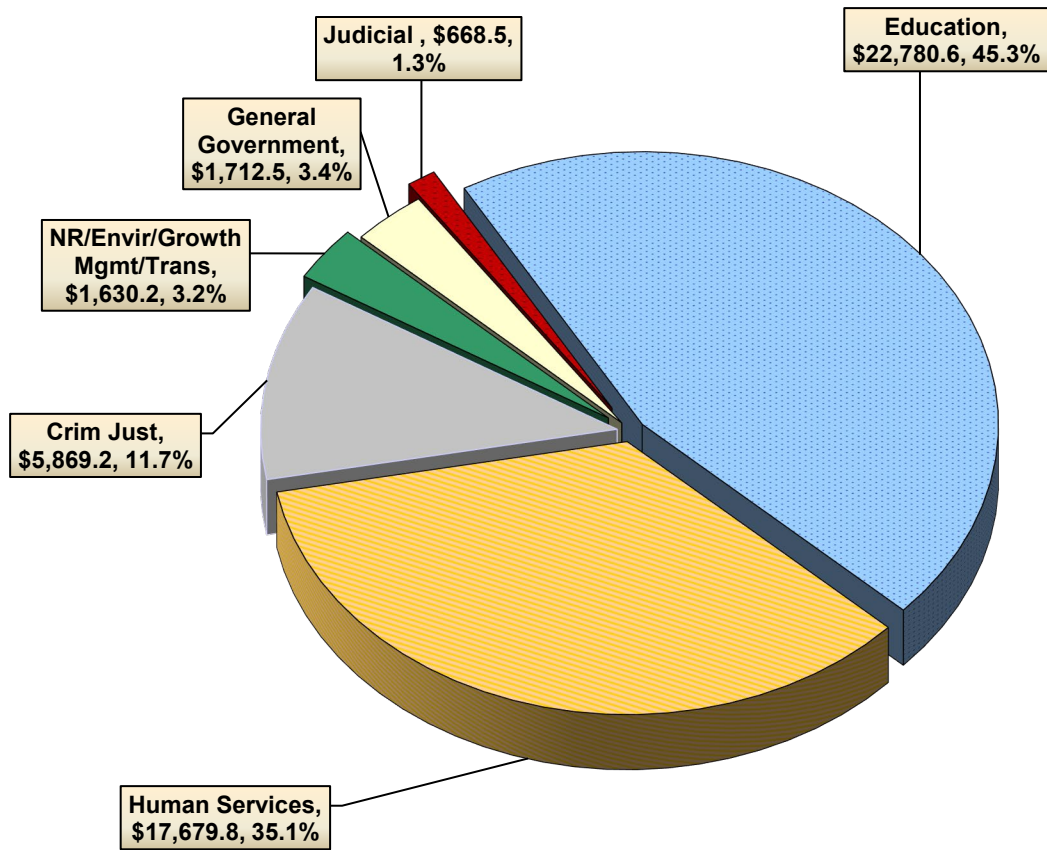
**Sources of General Revenue**  
**FY 2025-2026 (as adopted by the General Revenue**  
**Estimating Conference held August 15, 2025)**  
**\$50,485.0 Million**



**Total Appropriations by  
Program Area FY 2025-2026  
\$114,819.3**



**Total General Revenue Appropriations  
by Program Area FY 2025-2026  
\$50,340.8**



**Fiscal Year 2025-26 Appropriations by Detail Fund  
Adjusted for Vetoes, Supplementals**

<b>Fund Title</b>	<b>Fund #</b>	<b>State Dollars</b>	<b>Federal Dollars</b>	<b>Total Dollars</b>
ADMINISTRATIVE TRUST FUND	2021	327,550,224	159,368,859	486,919,083
AG EMERGENCY ERAD TF	2360	35,278,946		35,278,946
AIR POLLUTION CONTROL TF	2035	26,720,604	3,174,379	29,894,983
ALCOHOL/DRUGABU/MEN HLH TF	2027		188,081,858	188,081,858
ALCOHOLIC,BEV,TOBACCO TF	2022	97,291,699		97,291,699
ANTI-FRAUD TRUST FUND	2038	200,336		200,336
ARCHITECTS INCIDENTAL TF	2033	44,888,080		44,888,080
BIOMEDICAL RESEARCH TF	2245	127,280,790		127,280,790
BRAIN & SPINAL CORD INJ/TF	2390	9,938,801	1,413,854	11,352,655
CAMP BLANDING MANAGEMNT TF	2069	2,324,954		2,324,954
CAP IMPROVEMENTS FEE TF	2071	59,238,372		59,238,372
CAPITAL COLLATERAL REG TF	2073	590,592	749,753	1,340,345
CERTIFICATION PROGRAM TF	2092	1,520,305		1,520,305
CHILD CARE/DEV BLK GRNT TF	2098		910,609,918	910,609,918
CHILD SUPPORT INCENTIVE TF	2075	2,500,000	49,206,405	51,706,405
CHILD SUPPORT TRUST FUND	2084	15,377,472	29,444,679	44,822,151
CHILD WELFARE TRAINING TF	2083	2,173,055		2,173,055
CIGARETTE TAX COLL TF	2086	38,400,000		38,400,000
CITRUS ADVERTISING TF	2090	16,785,647	5,000,000	21,785,647
CITRUS INSPECTION TF	2093	6,273,864		6,273,864
CIVIL RICO TRUST FUND	2095	200,020		200,020
CLERKS OF THE COURT TF	2588	62,447,801		62,447,801
COASTAL PROTECTION TF	2099	15,903,574		15,903,574
COMMUNICATIONS WKG CAP TF	2105	134,064,969		134,064,969
CORRECTION WORK PROGRAM TF	2151	1,714,209		1,714,209
COUNTY HEALTH DEPT TF	2141	818,674,255	207,709,707	1,026,383,962
COURT EDUCATION TRUST FUND	2146	4,368,090		4,368,090
COURT/CSE COLL SYS TF	2115	858,628		858,628
CRIM JUST STAND & TRAIN TF	2148	10,380,090		10,380,090
CRIME STOPPERS TF	2202	4,833,484		4,833,484
CRIMES COMPENSATION TF	2149	22,949,646		22,949,646
CSE APP FEE & PROG REV TF	2104	8,639,194		8,639,194
DIV OF LICENSING TF	2163	40,839,370		40,839,370
DIV UNIV FAC CONST ADM TF	2222	6,946,944		6,946,944
DOMESTIC VIOLENCE TF	2157	8,038,051		8,038,051
DONATIONS TRUST FUND	2168	8,583,086	15,008,917	23,592,003
DRINKING WATER REV LOAN TF	2044		25,607,000	25,607,000
ECONOMIC DEVELOPMENT TF	2177	2,920,000		2,920,000
ED CERTIFICATION/SVC TF	2176	9,855,493		9,855,493
ED MEDIA & TECHNOLOGY TF	2183	133,426		133,426
EDUCATIONAL ENHANCEMENT TF	2178	2,512,673,968		2,512,673,968
ELECTIONS COMMISSION TF	2511	2,081,931		2,081,931
EMER MGMG PREP/ASST TF	2191	18,189,139		18,189,139
EMERGENCY COMM TF	2344	169,620,831		169,620,831
EMERGENCY MED SVC TF	2192	22,017,302		22,017,302
EMPLOYMENT SECURITY ADM TF	2195	84,208	370,592,249	370,676,457
EPILEPSY SERVICES TF	2197	327,928		327,928
EXEC BR LOBBY REGIS TF	2203	193,727		193,727
FED LAW ENFORCEMENT TF	2719		1,377,000	1,377,000
FEDERAL GRANTS TRUST FUND	2261	30,297,874	6,578,367,478	6,608,665,352

**Fiscal Year 2025-26 Appropriations by Detail Fund  
Adjusted for Vetoes, Supplementals**

<b>Fund Title</b>	<b>Fund #</b>	<b>State Dollars</b>	<b>Federal Dollars</b>	<b>Total Dollars</b>
FEDERAL REHABILITATION TF	2270		256,428,091	256,428,091
FINANCIAL INST REG TF	2275	14,042,373		14,042,373
FL AGRIC PROM CAMPAIGN TF	2920	324,676		324,676
FL CONDO/TIMESHARE/MH TF	2289	12,321,673		12,321,673
FL FACILITIES POOL CLR TF	2313	13,940,745		13,940,745
FL INTER TRADE & PROM TF	2338	6,093,272		6,093,272
FL.CRIME PREV TR IN REV TF	2302	871,961		871,961
FL.PANTHER RESCH & MAN TF	2299	1,076,765		1,076,765
FLORIDA FOREVER TF	2348	3,000,000		3,000,000
FOOD & NUTRITION SVCS TF	2315		1,970,891,915	1,970,891,915
FORFEIT/INVES SUPPORT TF	2316	3,642,264	451,262	4,093,526
GAS TAX COLLECTION TF	2319	5,978,651		5,978,651
GENERAL INSPECTION TF	2321	92,562,309	98,000	92,660,309
GRANTS AND DONATIONS TF	2339	2,348,502,286	1,228,335,408	3,576,837,694
HEALTH CARE TRUST FUND	2003	600,795,201	26,873,464	627,668,665
HIGHWAY SAFETY OPER TF	2009	601,906,245	12,879,212	614,785,457
HOTEL AND RESTAURANT TF	2375	33,533,850		33,533,850
INCIDENTAL TRUST FUND	2381	30,516,672		30,516,672
INDIGENT CIVIL DEFENSE TF	2976	310,980		310,980
INDIGENT CRIM DEFENSE TF	2974	34,935,657		34,935,657
INLAND PROTECTION TF	2212	41,591,500		41,591,500
INSTITUTE ASSESSMENT TF	2380	5,602,075		5,602,075
INSURANCE REG TF	2393	262,219,061		262,219,061
INTERNAL IMPROVEMENT TF	2408	34,420,485		34,420,485
INVASIVE PLANT CONTROL TF	2030	4,686,294		4,686,294
JUV CRIME PREV/ERLY INT TF	2415	1,262,903		1,262,903
JUVENILE JUSTICE TRNG TF	2417	1,637,414		1,637,414
L/G HF-CT SALES TAX CL TF	2455	35,800,000		35,800,000
LAND ACQUISITION TF	2423	1,314,683,260		1,314,683,260
LAW ENFORCEMENT RADIO TF	2432	26,519,359		26,519,359
LAW ENFORCEMENT TF	2434	745,315		745,315
LEGAL AFFAIRS REVOLVING TF	2439	25,275,015		25,275,015
LEGAL SERVICES TRUST FUND	2438	29,285,256		29,285,256
LEGIS LOBBYIST REGIS TF	2442	345,264		345,264
LOCAL GOV HOUSING TF	2250	163,800,000		163,800,000
MARINE RESOURCES CONSV TF	2467	93,490,777	2,026,039	95,516,816
MARKET IMP WKG CAP TF	2473	4,500,525		4,500,525
MAT/CH HLTH BLOCK GRANT TF	2475		21,003,653	21,003,653
MEDICAL CARE TRUST FUND	2474	118,770,932	18,988,950,514	19,107,721,446
MEDICAL QLTY ASSURANCE TF	2352	92,175,964	210,340	92,386,304
MINERALS TRUST FUND	2499	1,971,874		1,971,874
MOTOR VEHICLE WARRANTY TF	2492	2,878,571		2,878,571
NON-GAME WILDLIFE TF	2504	9,091,241		9,091,241
NON-MANDATORY LAND RECL TF	2506	2,474,833		2,474,833
NURS STDNT LOAN FORGIVE TF	2505	1,412,208		1,412,208
OPERATING TRUST FUND	2510	538,206,394		538,206,394
OPERATIONS AND MAINT TF	2516	157,284,589	169,181,104	326,465,693
OPTIONAL RETIREMENT PRG TF	2517	412,797		412,797
PARI-MUTUEL WAGERING TF	2520	31,929,586		31,929,586
PERC TRUST FUND	2558	2,636,750		2,636,750

**Fiscal Year 2025-26 Appropriations by Detail Fund  
Adjusted for Vetoes, Supplementals**

<b>Fund Title</b>	<b>Fund #</b>	<b>State Dollars</b>	<b>Federal Dollars</b>	<b>Total Dollars</b>
PERMIT FEE TRUST FUND	2526	21,057,245		21,057,245
PEST CONTROL TRUST FUND	2528	4,930,302		4,930,302
PHOSPHATE RESEARCH TF	2530	5,237,088		5,237,088
PLAN AND BUDGET SYSTEM TF	2535	7,569,102		7,569,102
PLANNING AND EVALUATION TF	2531	20,699,558	9,468,262	30,167,820
PLANT INDUSTRY TF	2507	3,739,643		3,739,643
POL/FIREMEN PREMIUM TAX TF	2532	1,360,805		1,360,805
PRETAX BENEFITS TRUST FUND	2570	918,760		918,760
PREVENT HLTH SVCS BL GR TF	2539		2,074,118	2,074,118
PRISON INDUSTRIES TF	2385	1,250,000		1,250,000
PRIVATE INMATE WELFARE TF	2623	6,139,507		6,139,507
PROFESSIONAL REGULATION TF	2547	50,372,950		50,372,950
PROFESSIONAL SPORTS DEV TF	2551	4,000,000		4,000,000
PUB MEDICAL ASST TF	2565	906,883,009		906,883,009
PUBLIC ED CO&DS TRUST FUND	2555	1,452,156,883		1,452,156,883
QUALITY LONG-TERM CARE TF	2126		6,002,597	6,002,597
R-O-W ACQ/BRIDGE CONST TF	2586	448,429,917		448,429,917
RADIATION PROTECTION TF	2569	9,760,509	498,492	10,259,001
RAPE CRISIS PROGRAM TF	2089	1,744,849		1,744,849
RECORDS MANAGEMENT TF	2572	1,410,983		1,410,983
REFUGEE ASSISTANCE TF	2579		315,390,433	315,390,433
REGULATORY TRUST FUND	2573	58,201,918		58,201,918
RESILIENT FLORIDA TF	2055	135,236,031		135,236,031
RET HLTH INS SUBSIDY TF	2583	239,624		239,624
REVOLVING TRUST FUND	2600	538,995	6,618,146	7,157,141
SALE/GOODS & SERVICES TF	2606	1,375,896		1,375,896
SALTWTR PRODUCTS PROM TF	2609	1,512,074		1,512,074
SAVE THE MANATEE TF	2611	3,688,567		3,688,567
SCH/DIS & CC/DIS CO&DS TF	2612	136,072,018		136,072,018
SEED TRUST FUND	2041	85,424,163		85,424,163
SHARED CO/STATE JUV DET TF	2685	83,245,654		83,245,654
SOCIAL SVCS BLK GRT TF	2639		180,695,410	180,695,410
SOLID WASTE MGMT TF	2644	24,733,741		24,733,741
SPEC EMPLOYMNT SECU ADM TF	2648	29,854,996		29,854,996
ST ST FIN ASSIST TF	2240	160,500		160,500
ST TRANSPORT (PRIMARY) TF	2540	8,487,236,430	3,883,670,854	12,370,907,284
STATE ATTNYS REVENUE TF	2058	63,119,292		63,119,292
STATE COURTS REVENUE TF	2057	103,257,789		103,257,789
STATE EMPLOYEES DIS INS TF	2671	39,016		39,016
STATE EMPLOY HEALTH INS TF	2668	74,115,902		74,115,902
STATE EMPLOY LIFE INS TF	2667	30,328		30,328
STATE GAME TRUST FUND	2672	44,078,370		44,078,370
STATE HOUSING TF	2255	71,200,000		71,200,000
STATE INMATE WELFARE TF	2523	25,286,074		25,286,074
STATE OPIOID SETTLEMENT TF	2124	194,801,741		194,801,741
STATE PARK TRUST FUND	2675	88,124,652		88,124,652
STATE PERSONNEL SYSTEM TF	2678	43,688,205		43,688,205
STATE RISK MGMT TF	2078	92,218,183		92,218,183
STATE SCHOOL TF	2543	410,535,000		410,535,000
STUDENT LOAN OPERATING TF	2397		20,383,991	20,383,991

**Fiscal Year 2025-26 Appropriations by Detail Fund  
Adjusted for Vetoes, Supplementals**

<b>Fund Title</b>	<b>Fund #</b>	<b>State Dollars</b>	<b>Federal Dollars</b>	<b>Total Dollars</b>
SUPERVISION TRUST FUND	2696	83,410,174		83,410,174
SURPLUS PROPERTY REVOLV TF	2699	412,598		412,598
TEACHER CERT EXAM TF	2727	11,220,684		11,220,684
TOBACCO SETTLEMENT TF	2122	334,191,510		334,191,510
TOURISM PROMOTIONAL TF	2722	24,788,702		24,788,702
TRANSPORT DISADVANTAGED TF	2731	64,492,310		64,492,310
TREASURY ADM/INVEST TF	2725	11,179,414		11,179,414
TRUST FUNDS	2732	207,930,838	60,111,788	268,042,626
TURNPIKE GEN RESERVE TF	2326	1,920,329,845		1,920,329,845
TURNPIKE RENEW/REPLACE TF	2324	184,510,059		184,510,059
U.S. CONTRIBUTIONS TF	2750		17,979,261	17,979,261
U.S. TRUST FUND	2738		145,012,702	145,012,702
UNCLAIMED PROPERTY TF	2007	7,112,525		7,112,525
VITICULTURE TRUST FUND	2773	759,580		759,580
WASTEWTR/STORMWTR REVOL TF	2661		7,177,000	7,177,000
WATER PROTECT/SUSTAIN TF	2603	463,389,202		463,389,202
WATER QUALITY ASSURANCE TF	2780	57,918,333		57,918,333
WELFARE TRANSITION TF	2401	286,608	409,964,013	410,250,621
WORKERS' COMP ADMIN TF	2795	34,984,121		34,984,121
WORKERS'COMP SPEC DISAB TF	2798	1,171,946		1,171,946
WORKING CAPITAL TRUST FUND	2792	35,027,595		35,027,595
<b>TOTAL TRUST FUNDS</b>		<b>28,190,429,114</b>	<b>36,288,088,125</b>	<b>64,478,517,239</b>



## **BUDGET STABILIZATION FUND**

The Budget Stabilization Fund (BSF) was created upon approval of a constitutional amendment placed on the November 1992 ballot by the Taxation and Budget Reform Commission. The relevant portion of that amendment states:

(g) BUDGET STABILIZATION FUND. Beginning with the 1994-95 fiscal year, at least 1 percent of an amount equal to the last completed fiscal year's net revenue collections for the General Revenue Fund shall be retained in the BSF. The BSF shall be increased to at least 2 percent of said amount for the 1995-96 fiscal year, at least 3 percent of said amount for the 1996-97 fiscal year, at least 4 percent of said amount for the 1997-98 fiscal year, and at least 5 percent of said amount for the 1998-99 fiscal year and thereafter. Subject to the provisions of this subsection, the BSF's principal balance shall be maintained at an amount equal to at least 5 percent of the last completed fiscal year's net revenue collections for the General Revenue Fund. The BSF's principal balance shall not exceed an amount equal to 10 percent of the last completed fiscal year's net revenue collections for the General Revenue Fund. The Legislature shall provide criteria for withdrawing funds from the BSF in a separate bill for the purpose only of covering revenue shortfalls of the General Revenue Fund or for the purpose of providing funding for an emergency, as defined by general law. General law shall provide for the restoration of this fund. The BSF shall be comprised of funds not otherwise obligated or committed for any purpose.

Section 216.222, F.S., establishes criteria for transferring money from the BSF. The BSF may be used to offset a deficit in the General Revenue Fund and to provide funding for an emergency as defined in s. 252.34, F.S., which is part of the State Emergency Management Act.

### **216.222 Budget Stabilization Fund; criteria for withdrawing moneys.--**

(1) Moneys in the BSF may be transferred to the General Revenue Fund for:

(a)1. Offsetting a deficit in the General Revenue Fund. A deficit is deemed to occur when the official estimate of funds available in the General Revenue Fund for a fiscal year falls below the total amount appropriated from the General Revenue Fund for that fiscal year. Such a transfer must be made pursuant to s. 216.221, or pursuant to an appropriation by law.

2. Notwithstanding the requirements of s. 216.221, if, after consultation with the Revenue Estimating Conference, the Chief Financial Officer believes that a deficit will occur in the General Revenue Fund and if:

a. Fewer than 30 but more than 4 days are left in the fiscal year, the Legislature is not in session, and neither the Legislature nor the Legislative Budget Commission is scheduled to meet before the end of the fiscal year, or

b. Fewer than 5 days are left in the fiscal year and the Governor and the Chief Justice, the Legislature, or the Legislative Budget Commission have not implemented measures to resolve the deficit, the Chief Financial Officer shall certify the deficit to the Governor, the Chief Justice, the President of the Senate, and the Speaker of the House of Representatives, and may thereafter withdraw funds from the BSF to offset the projected deficit in the General Revenue Fund. The Chief Financial Officer shall consult with the Governor and the chair and vice chair of the Legislative Budget Commission before any funds may be withdrawn from the BSF. At the beginning of the next fiscal year, the Chief Financial Officer shall promptly determine the General Revenue Fund balance to be carried forward. The Chief Financial Officer shall immediately repay the BSF for the withdrawn amount, up to the amount of the balance. If the General Revenue Fund balance carried forward is not sufficient to fully repay the BSF, the repayment of the remainder of the withdrawn funds shall be as provided in s. 215.32(2)(c)3.

## BUDGET STABILIZATION FUND

(b) Providing funding for an emergency as defined in s. 252.34. The emergency must have been declared by the Governor pursuant to s. 252.36 or declared by law. Such a transfer must be made pursuant to s. 252.37, subject to the conditions in that section, or pursuant to an appropriation by law.

(c) Providing temporary transfers to the General Revenue Fund pursuant to s. 215.18.

(2)(a) Moneys in the BSF may be transferred to the State Risk Management Trust Fund to provide funding for an emergency. For purposes of this subsection, an emergency exists when uninsured losses to state property exceed \$2 million per occurrence or \$5 million annual aggregate, as this constitutes an unanticipated financial need that the Legislature has found must be funded to serve an essential state responsibility.

(b) At such time that the Division of Risk Management certifies that uninsured property losses exceed \$2 million per occurrence or \$5 million annual aggregate, the division shall request a budget amendment through the procedures set out in s. 216.181. Transfers into the State Risk Management Trust Fund pursuant to this paragraph may not exceed \$38 million in any fiscal year.

Section 215.32(2)(c), F.S., provides for restoration of transfers from the BSF to the General Revenue Fund. Unless otherwise provided by law, these transfers (referred to as expenditures) must be returned in five equal annual installments beginning in the third year after the withdrawal. During Fiscal Years 2004-05, 2005-06, and 2006-07, disbursements were made to the Casualty Insurance Risk Management Trust Fund. In addition, pursuant to Section 77 of the 2008-09 General Appropriations Act (HB 5001/Chapter 2008-152, L.O.F.), \$672.4 million was transferred to the General Revenue Fund in September 2008 to offset a deficit in the General Revenue Fund. Another \$400 million was transferred in February 2009 pursuant to Section 51 of Chapter 2009-1, L.O.F. (SB 2-A). All transfers have since been repaid.

### **215.32 State funds; segregation.--**

(2)(c)1. The BSF shall consist of amounts equal to at least 5 percent of net revenue collections for the General Revenue Fund during the last completed fiscal year. The BSF's principal balance shall not exceed an amount equal to 10 percent of the last completed fiscal year's net revenue collections for the General Revenue Fund. As used in this paragraph, the term "last completed fiscal year" means the most recently completed fiscal year prior to the regular legislative session at which the Legislature considers the General Appropriations Act for the year in which the transfer to the BSF must be made under this paragraph.

2. By September 15 of each year, the Governor shall authorize the Chief Financial Officer to transfer, and the Chief Financial Officer shall transfer pursuant to appropriations made by law, to the BSF the amount of money needed for the balance of that fund to equal the amount specified in subparagraph 1., less any amounts expended and not restored. The moneys needed for this transfer may be appropriated by the Legislature from any funds.

3. Unless otherwise provided in this subparagraph, an expenditure from the BSF must be restored pursuant to a restoration schedule that provides for making five equal annual transfers from the General Revenue Fund, beginning in the third fiscal year following that in which the expenditure was made. For any Budget Stabilization Fund expenditure, the Legislature may establish by law a different restoration schedule and such change may be made at any time during the restoration period. Moneys are hereby appropriated for transfers pursuant to this subparagraph.

House Bill 5011 (Ch. 2021-43, L.O.F.) directed the State Board of Administration to liquidate the assets in the Lawton Chiles Endowment Fund by June 30, 2022, and to transfer all balances remaining to the Budget Stabilization Fund. As of June 30, 2025, the State Board of Administration had transferred \$1,056.4 million from the Lawton Chiles Endowment Fund and is expected to transfer an additional \$0.1 million in the future.

## BUDGET STABILIZATION FUND

The Legislature passed House Joint Resolution 5019 proposing an amendment to the Florida Constitution to increase the amount of funds that may be retained in the fund from 10 percent to 25 percent of net general revenue collections. The amendment also requires an annual transfer to the BSF equal to \$750 million or the amount required to reach 25 percent maximum no later than June 30th of each fiscal year. The proposed amendment must be approved by at least 60 percent of the electors voting on the measure at the next general election. If approved, the amendment would take effect on January 12, 2027.

Further, the Legislature authorized the transfers of \$300.0 million from the General Revenue Fund in the Fiscal Year 2024-25 General Appropriations Act and \$429.6 million in Fiscal Year 2025-26, which were transferred to the Budget Stabilization Fund on July 19, 2024, and August 11, 2025, respectively. The current balance in the fund is \$4,870.2 million which equals the maximum fund balance for Fiscal Year 2025-26. Because the BSF's principal balance exceeds the required minimum fund balance through Fiscal Year 2030-31, no other transfers are required during this forecast period. Any interest earned on the BSF accrues to the General Revenue Fund.

### BUDGET STABILIZATION FUND CALCULATION \$ MILLIONS --- EDR Forecast Based on August 2025 GR Estimate

Fiscal Year	Revenue Base Year	Revenue Base for Calculation*	Minimum BSF Fund Rate	Minimum Fund Balance	Maximum Fund Balance	Constitutional Transfers	Net Loans & Repayments	Distributions to & Repayments from General Revenue	Other Transfers	Subtotal*	Adjusted Fund Cash Balance
1994-95	1992-93	12,059.0	1.0%	120.6	1,205.9	120.6	0.0	0.0	0.0	120.6	120.6
1995-96	1993-94	13,037.3	2.0%	260.7	1,303.7	140.1	0.0	0.0	0.0	140.1	260.7
1996-97	1994-95	13,647.0	3.0%	409.4	1,364.7	148.7	0.0	0.0	0.0	148.7	409.4
1997-98	1995-96	14,648.8	4.0%	586.0	1,464.9	176.6	0.0	0.0	0.0	176.6	586.0
1998-99	1996-97	15,738.4	5.0%	786.9	1,573.8	200.9	0.0	0.0	0.0	200.9	786.9
1999-00	1997-98	16,939.4	5.0%	847.0	1,693.9	60.1	0.0	0.0	0.0	60.1	847.0
2000-01	1998-99	17,879.4	5.0%	894.0	1,787.9	47.0	0.0	0.0	0.0	47.0	894.0
2001-02	1999-00	18,817.1	5.0%	940.9	1,881.7	46.9	0.0	0.0	0.0	46.9	940.9
2002-03	2000-01	19,178.1	5.0%	958.9	1,917.8	18.0	0.0	0.0	0.0	18.0	958.9
2003-04	2001-02	19,328.5	5.0%	966.4	1,932.9	7.5	0.0	0.0	0.0	7.5	966.4
2004-05	2002-03	19,984.2	5.0%	999.2	1,998.4	32.8	-3.4	0.0	0.0	29.4	995.8
2005-06	2003-04	21,823.9	5.0%	1,091.2	2,182.4	92.0	-9.8	0.0	0.0	82.2	1,078.0
2006-07	2004-05	24,969.4	5.0%	1,248.5	2,496.9	157.3	1.5	0.0	0.0	158.8	1,236.8
2007-08	2005-06	27,074.8	5.0%	1,353.7	2,707.5	105.2	2.8	0.0	0.0	108.0	1,344.8
2008-09	2006-07	26,400.3	5.0%	1,320.0	2,640.0	0.0	1.5	-1,072.4	0.0	-1,070.9	273.9
2009-10	2007-08	24,138.8	5.0%	1,206.9	2,413.9	0.0	1.0	0.0	0.0	1.0	274.9
2010-11	2008-09	21,036.4	5.0%	1,051.8	2,103.6	0.0	4.3	0.0	0.0	4.3	279.2
2011-12	2009-10	21,535.5	5.0%	1,076.8	2,153.6	0.0	0.1	214.5	0.0	214.6	493.8
2012-13	2010-11	22,574.0	5.0%	1,128.7	2,257.4	0.0	0.5	214.5	0.0	215.0	708.8
2013-14	2011-12	23,623.0	5.0%	1,181.2	2,362.3	0.0	1.5	214.5	0.0	215.9	924.7
2014-15	2012-13	25,343.6	5.0%	1,267.2	2,534.4	0.0	0.0	214.5	0.0	214.5	1,139.2
2015-16	2013-14	26,217.8	5.0%	1,310.9	2,621.8	0.0	0.0	214.5	0.0	214.5	1,353.7
2016-17	2014-15	27,687.4	5.0%	1,384.4	2,768.7	30.7	0.0	0.0	0.0	30.7	1,384.4
2017-18	2015-16	28,329.0	5.0%	1,416.5	2,832.9	32.1	0.0	0.0	0.0	32.1	1,416.5
2018-19	2016-17	29,660.7	5.0%	1,483.0	2,966.1	66.5	0.0	0.0	0.0	66.5	1,483.0
2019-20	2017-18	31,483.4	5.0%	1,574.2	3,148.3	91.2	0.0	0.0	0.0	91.2	1,574.2
2020-21	2018-19	33,484.6	5.0%	1,674.2	3,348.5	100.0	0.0	0.0	0.0	100.0	1,674.2
2021-22	2019-20	31,544.8	5.0%	1,577.2	3,154.5	0.0	0.0	0.0	1,056.0	1,056.0	2,730.2
2022-23	2020-21	36,275.4	5.0%	1,813.8	3,627.5	0.0	0.0	0.0	410.1	410.1	3,140.2
2023-24	2021-22	44,027.7	5.0%	2,201.4	4,402.8	0.0	0.0	0.0	1,000.2	1,000.2	4,140.4
2024-25	2022-23	47,512.8	5.0%	2,375.6	4,751.3	0.0	0.0	0.0	300.1	300.1	4,440.6
2025-26	2023-24	48,701.8	5.0%	2,435.1	4,870.2	0.0	0.0	0.0	429.6	429.6	4,870.2
<b>Forecast:</b>											
2026-27	2024-25	49,886.3	5.0%	2,494.3	4,988.6	0.0	0.0	0.0	0.0	0.0	4,870.2
2027-28	2025-26	50,511.7	5.0%	2,525.6	5,051.2	0.0	0.0	0.0	0.0	0.0	4,870.2
2028-29	2026-27	52,057.7	5.0%	2,602.9	5,205.8	0.0	0.0	0.0	0.0	0.0	4,870.2
2029-30	2027-28	52,983.9	5.0%	2,649.2	5,298.4	0.0	0.0	0.0	0.0	0.0	4,870.2
2030-31	2028-29	54,396.2	5.0%	2,719.8	5,439.6	0.0	0.0	0.0	0.0	0.0	4,870.2
2031-32	2029-30	55,804.0	5.0%	2,790.2	5,580.4	0.0	0.0	0.0	0.0	0.0	4,870.2
2032-33	2030-31	57,255.2	5.0%	2,862.8	5,725.5	0.0	0.0	0.0	0.0	0.0	4,870.2

## **BUDGET STABILIZATION FUND**

\*The "Revenue Base for Calculation" is drawn from the retrospect available during the Session prior to the fiscal year in which the transfer is made. The forecast portion is drawn from the August 15, 2025, General Revenue Financial Outlook Statement.

## CONSENSUS ESTIMATING CONFERENCE PROCESS

Economic, demographic, resource-demand and revenue forecasts are essential for a variety of governmental planning and budgeting functions. Most importantly, revenue and resource-demand estimates are needed to ensure that Florida meets its constitutional balanced budget requirement. In this regard, the various forecasts are primarily used in the development of the constitutionally required Long-Range Financial Outlook, the Governor's budget recommendations and the General Appropriations Act. Economic and demographic forecasts are also used to support the other estimates of revenues and demands for state services.

Florida's revenue forecasting system is founded on a base forecast which typically assumes a "current law, current administration" structure in which no changes are allowed to the legal setting and practices known at the time of the forecast. This multi-stage process begins with the adoption of a national economic forecast based in part on information from a private forecasting firm, and the subsequent development of a Florida-specific economic forecast linked to major elements from the national forecast. Key state economic variables are then used to model the likely growth paths of individual revenue sources. They are further adjusted by recent revenue collection trends and calibrated to current receipts.<sup>1</sup> This process determines the baseline forecasts, and proposed law changes are modeled as deviations from the projected base. In the next round of forecasts, the process begins again, and the baseline is updated to account for any new or changed information, such as data revisions and law changes. All revenue estimates are made on a "cash" basis where revenues are assigned to the fiscal year in which they are likely to be received. The resource-demand conferences follow a similar process, and most rely heavily on the shape of the Florida-specific economic and population forecasts.

Rather than constitutional or statutory guidance, the classification of recurring and non-recurring revenues is based on institutional forecasting conventions developed over time by the principals of the Revenue Estimating Conference. Typically, the forecasted revenue level for each baseline year is deemed to be the "recurring" amount of funds for that year, regardless of the projected levels in subsequent years. Narrow exceptions are made for one-time events such as hurricanes and the receipt of special federal funds, as well as time-limited statutory provisions. Recent estimates have included at least five complete fiscal years in the forecast adopted at the conference. Moreover, the annual Long-Term Revenue Analysis adopted each fall contains 10-year forecasts for all revenues.

Consensus estimating informally began in 1970 and was limited to forecasts of the General Revenue Fund. The law establishing the conference process in statute did not pass until 1985 (Chapter 85-26, L.O.F.). The use of consensus forecasting to support the planning and budgeting process has expanded in the years since, and there are now ten estimating conferences formally identified in statute:

1. Economic Estimating Conference
  - a. Florida Economic
  - b. National Economic
2. Florida Demographic Estimating Conference
3. Revenue Estimating Conference
  - a. Ad Valorem
  - b. Article V Fees & Transfers
  - c. Documentary Stamp Tax
  - d. General Revenue
  - e. Gross Receipts/Communications Services Tax
  - f. Highway Safety Fees

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<sup>1</sup> Designated principals also use independent (but informed) judgment to alter the forecast.

## CONSENSUS ESTIMATING CONFERENCE PROCESS

- g. Indian Gaming
  - h. Long-Term Revenue Analysis
  - i. Lottery
  - j. Pari-Mutuels
  - k. Public Education Capital Outlay (PECO)
  - l. Slot Machines
  - m. Tobacco Settlement
  - n. Tobacco Tax and Surcharge
  - o. Transportation Revenue
  - p. Unclaimed Property/State School Trust Fund
  - q. Unemployment Compensation Trust Fund
- 4. Education Estimating Conference
    - a. Public Schools Enrollment
    - b. Public Schools Capital Outlay Full-Time Equivalent Enrollment
    - c. Florida College System Enrollment
    - d. Post-Secondary Financial Aid
  - 5. Criminal Justice Estimating Conference
  - 6. Social Services Estimating Conference
    - a. TANF/WAGES
    - b. Medicaid Caseload and Expenditures
    - c. Federal Medical Assistance Percentage (FMAP)
    - d. Kidcare Caseload and Expenditures
  - 7. Labor Market Estimating Conference
  - 8. Early Learning Programs Estimating Conference
    - a. School Readiness Program
    - b. Voluntary Prekindergarten Education Program
  - 9. Self-Insurance Estimating Conference
    - a. Risk Management Trust Fund
    - b. State Employees' Health Insurance
  - 10. Florida Retirement System Actuarial Assumption Estimating Conference
    - a. Florida Retirement System
    - b. Retiree Health Insurance Subsidy and Florida National Guard Benefits

While references to specific conferences exist in several places within the Florida Statutes, general statutory authority for the consensus process is provided in sections 216.133 through 216.138, F.S., which specifies the duties of each conference and designates the conference principals and participants. Conference principals can call conferences and are generally responsible for developing and choosing the forecasts. Participants may be requested to provide alternative forecasts and to generate supporting information. All conferences are open, public meetings.

The four principals for each conference are designated professional staff representing the Governor's Office, Senate, House of Representatives, and Legislative Office of Economic and Demographic Research. Historically, the revenue representatives of the House and Senate have been the staff directors of the tax committees, and the policy coordinator overseeing tax issues has represented the Governor's Office. In the other conferences, the principals represent the same offices, but they are specifically chosen for their subject-matter expertise in the area represented by

## CONSENSUS ESTIMATING CONFERENCE PROCESS

the conference. An exception is made for the Coordinator of the Legislative Office of Economic and Demographic Research who – by law – sits as a principal on all conferences.

Consensus forecasting requires the conference principals to agree on the forecasts before they are finalized. Section 216.133(3), F.S., defines “consensus” as “the unanimous consent of all of the principals,” essentially meaning that each principal has a veto. All state agencies and the judicial branch must use the official results adopted by the conferences in carrying out their duties under the state planning and budgeting process; however, the Legislature is not bound to use the official consensus forecasts. Nevertheless, since 1970, the Florida Legislature has consistently used the results of these conferences in its official duties.

Over the course of each year, the principals meet in a series of regularly scheduled Consensus Estimating Conferences to provide the forecasts needed to support the planning and budgeting process. Typically, these conferences have occurred in three “seasons” that are geared to the major events of the annual planning and budgeting cycle. In addition, impact conferences are held when estimates are needed to determine the impact of changes or proposed changes to current law or current administration. The statutes do not specify the methods, techniques, or approaches for developing estimates or forecasts; however, the impact conferences typically use static analyses with modest adjustments for likely behavioral changes when conditions warrant their inclusion.

A special case of the estimating conference process has been developed for evaluating the fiscal impact of petition initiatives. In 2004, a constitutional amendment passed that requires initiative petitions be filed with the Secretary of State by February 1st of each general election year to be eligible for ballot consideration. In 2025, the Legislature passed CS/HB 1205 (Chapter 2025-21, L.O.F.), substantially amending the requirements for petition initiatives. Section 100.371(2), F.S., requires the Secretary of State to submit a copy of all proposed amendments to the Office of Economic and Demographic Research on behalf of the Financial Impact Estimating Conference (FIEC) for potential review, analysis, and estimation of the financial impact of the proposed amendment. A formal FIEC may be convened only by the President of the Senate and the Speaker of the House of Representatives, jointly (s. 100.371(16)(c), F.S.). The FIEC consists of four principals: one person from the Executive Office of the Governor; the coordinator of the Legislative Office of Economic and Demographic Research, or his or her designee; one person from the professional staff of the Senate; and one person from the professional staff of the House of Representatives. Each principal must have appropriate fiscal expertise in the subject matter of the initiative. A separate FIEC is appointed for each initiative.

Another special case of the estimating conference process has been developed for evaluating legislative proposals—whether statutory or budgetary—based on tools and models not generally employed by the consensus estimating conferences, including cost-benefit, return-on-investment, or dynamic scoring techniques, when suitable and appropriate for the legislative proposals being evaluated. In 2010, HB 1178 was passed and signed into law (Chapter 2010-101, L.O.F) establishing section 216.138, F.S., authorizing the President of the Senate and the Speaker of the House of Representatives to request special impact estimating conferences employing such tools and models. The Special Impact Estimating Conference consists of four principals: one person from the Executive Office of the Governor; the coordinator of the Legislative Office of Economic and Demographic Research, or his or her designee; one person from the professional staff of the Senate; and one person from the professional staff of the House of Representatives. Each principal must have appropriate fiscal expertise in the subject matter of the legislative proposal. A separate Special Impact Estimating Conference may be appointed for each proposal.

## SUMMARY OF THE CONSTITUTIONAL STATE REVENUE LIMITATION

In November 1994, the voters approved a constitutional amendment to limit state revenues (Article VII, Section 1, Florida Constitution). Placed before the voters by act of the Legislature (HJR 2053), the amendment limits state revenues to a specific dollar amount that is increased annually by an approximation of the growth rate in Florida's economy. If more revenue is collected than is permitted by this limit, it may not be spent; excess revenues must be deposited in the Budget Stabilization Fund until the fund reaches its maximum allowable balance, and thereafter refunded to taxpayers. The Legislature, by two-thirds vote of both houses, may decide to do otherwise. In any year, the revenue limit is determined by multiplying the average annual growth rate in Florida personal income over the previous five years by the amount of revenue permitted under the cap in the previous year.

State revenue is defined as taxes, licenses, fees, and charges for services (but not for goods) imposed by the Legislature on individuals, businesses, or agencies outside of state government. The definition of state revenues includes the proceeds of lottery ticket sales. Exempt from the limitation, either implicitly, through the definition of revenue, or explicitly, through specific exemption, are the following items:

1. Lottery receipts returned as prizes.
2. Balances carried forward from prior years.
3. The proceeds of sales of goods (e.g., land, buildings, surplus property).
4. Funds used for debt service and other payments related to debt.
5. State funds used to match federal money for most of Medicaid (see below).
6. Receipts of the Hurricane Catastrophe Trust Fund.
7. Revenues required to be imposed by amendment to the Constitution after July 1, 1994.

The revenues of cities, counties, school districts, and special districts are not subject to the revenue limitation. In particular, required local effort millage levied by school districts and local option taxes authorized by state law, but levied at the discretion of local governments, are not subject to the revenue limitation. However, state revenues, such as the motor fuel tax, cigarette tax, and sales tax, which are levied and collected by the state and shared, in part, with local governments through a variety of statutory revenue sharing formulas, are subject to the revenue limitation.

State funds used to match federal funds for Medicaid are partially exempt from the revenue limitation. A portion of the state money used to match federal Medicaid funds is appropriated from the Public Medical Assistance Trust Fund (PMATF), a fund originally established for discretionary Medicaid programs. A tax on hospitals, and some cigarette tax revenues provide state support for the PMATF. Since the reason for exempting Medicaid from the revenue limitation is that it is in large part a federal mandate, and since the programs funded from the PMATF were, at least initially, voluntary, the revenues of the PMATF were made subject to the revenue limitation. However, other revenues used to match federal Medicaid money were exempted from the revenue limitation. Additionally, state matching funds for expansions of the Medicaid program voluntarily undertaken by the state after July 1, 1994, are subject to the revenue limitation.

The Constitution requires the Legislature to establish, by general law, the procedures necessary to administer the revenue limitation; however, such legislation has yet to be enacted. In addition, the Legislature is required to provide general law guidelines for adjusting the state revenue limit when the responsibility for providing specific governmental services is transferred between the state and other levels of government.

Over a two-year period beginning in Fiscal Year 2002-03, revenue from the State University System (SUS) was devolved from state accounts to each university's local accounting system. Chapter 2002-387, L.O.F. (SB 20-E), directed the Revenue Estimating Conference to reduce the total receipts subject to the limitation to reflect that transfer. The conference made a one-time adjustment in Fiscal Year 2003-04



## **SUMMARY OF THE CONSTITUTIONAL STATE REVENUE LIMITATION**

after the devolution was complete. From Fiscal Year 2003-04 forward, no SUS revenues are included in state revenues. Additionally, no SUS-related debt service deductions are made.

In 1998, the Constitution was amended (Article V, section 14(b)) to require that “All funding for the offices of the clerks of the circuit and county courts performing court-related functions, except as otherwise provided in this subsection and subsection (c), shall be provided by adequate and appropriate filing fees for judicial proceedings and service charges and costs for performing court-related functions as required by general law.” General law has since been passed to impose the required fees. The imposed fees generate revenues higher than necessary to perform the stated functions, and the excess money from those fees is transferred to the General Revenue Fund. The conference interpreted this to mean that any revenues used to perform the stated functions should not be counted as state revenue, while any additional funds should be included. Therefore, only Article V revenues that are transferred to the General Revenue Fund are included as state revenue.

### **Impacts of the Constitutional Revenue Limitation**

In the first few years after the adoption of the revenue limitation, actual revenues were close to the constitutional cap. Over the subsequent years, revenues subject to the cap have generally grown more slowly than personal income. Since 1999, the Florida Legislature has enacted significant measures to reduce state revenue. The intangibles tax, sales and use tax, beverage tax, corporate income tax, vehicle emissions testing, health care assessments, unemployment tax, and pari-mutuel tax have all been reduced by the Legislature. Additionally, changes in federal law have effectively eliminated Florida’s estate tax. These changes in tax laws contributed to a widening gap between actual revenues and the revenue limit through Fiscal Year 2002-03 when revenues were almost \$5 billion below the limit. Over the next three years and despite the tax reductions mentioned above, state revenues grew faster than growth in the limit. As a result, Fiscal Year 2005-06 revenues subject to the limitation were only \$658 million below the constitutional cap. This surge in revenues was related to the boom in real estate activity and associated construction spending, as well as the tax revenues derived from rebuilding following the hurricanes in 2004 and 2005. However, state revenue collections fell in Fiscal Years 2006-07 through 2008-09 and grew less than the cap growth rate in Fiscal Year 2009-10. Total receipts grew in the 2010-11 and 2011-12 fiscal years; however, the state match for Medicaid, which is exempt from the cap, grew even faster.

Revenue growth returned to more typical levels beginning in Fiscal Year 2011-12 and continuing through Fiscal Year 2018-19. As result of the Coronavirus pandemic-induced economic contraction that began in Fiscal Year 2019-20, state revenue collections were down \$2.1 billion from Fiscal Year 2018-19, widening the gap between actual revenues and the revenue limit. In addition, Medicaid caseload increases as a result of the pandemic and legislative measures affecting corporate income tax refunds further widened the gap. Consequently, state revenues subject to the revenue limitation were \$25.4 billion below the constitutional revenue limit in Fiscal Year 2019-20.

In Fiscal Year 2020-21, much of the economy began to recover from the worst of the pandemic effects. In addition, the 2021 Legislature made a revision to the collection of online sales tax revenue beginning Fiscal Year 2021-22. These actions began to close the gap seen in Fiscal Year 2019-20, but it still remained significant. For Fiscal Year 2022-23 and even more so in Fiscal Year 2023-24, the gap began once again to widen as the Legislature initiated state debt reduction projects, and as Medicaid expenditures continued to grow. Although the constitutional revenue limit for Fiscal Year 2024-25 has yet to be completed, it is expected that state revenues will continue to be well below the revenue limit as a result of various, significant recurring tax reductions enacted in the 2022, 2023, and 2024 legislative sessions, as well as additional tax reductions in the 2025 legislative session.

## TAX PREFERENCES

For the individual tax sources included in the Handbook, the preparers of this document have attempted to provide estimates for all current tax preferences, including exemptions, deductions, allowances, exclusions, credits, preferential rates, and deferrals. While individual estimates have not been possible for all, a large portion of the total preferences have been estimated. This section presents these estimates of forgone revenue in a single table to show their relative and absolute magnitude. Preferential tax treatments reduce government revenue and compete with programs funded by appropriations for state and local use.

There are a number of important distinctions between appropriations and tax preferences. Once adopted, tax preferences often receive less scrutiny than appropriations, which must be enacted every year. In contrast, tax preferences typically remain effective until an affirmative action is taken to change them. Also, unlike appropriations which are for fixed amounts, tax preferences are often open-ended.

The following table presents summary estimates of the tax preferences identified in this book by type of preference for each tax source.

# ESTIMATE of FISCAL YEAR 2026-27 STATE TAX PREFERENCES (in millions)

TAX	INCLUDED TAX SOURCE COLLECTIONS	EXEMPTIONS	PREFERRED/ DIFFERENTIAL RATES	CREDITS	REFUNDS	DEDUCTIONS/ ALLOWANCES	TOTAL TAX PREFERENCES
Beverage Tax	294.6	3.6		489.4	0.1	12.8	505.9
Cigarette and Other Tobacco Tax	769.4	13.8			0.6	3.5	17.9
Communications Services Tax	1,121.1	681.5				10.7	692.2
Corporate Income and Emergency Excise Tax***	5,765.7	2,912.2		247.4			3,159.6
Documentary Stamp Tax	3,900.2	235.1	44.8			17.7	297.6
Gross Receipts Tax	1,402.9	626.2					626.2
Insurance Premium Tax	1,961.3	245.0		1,392.1		20.0	1,657.1
Intangibles Tax	529.5	*			2.6	0.8	3.4
Lottery	9,341.7					558.0	558.0
Motor Fuel & Diesel Fuel Tax	3,715.0	5.0			39.0	5.5	49.5
Pollutant Taxes	313.7	1.0					1.0
Sales and Use Tax**	41,844.0	26,872.1		189.7		87.8	27,149.6
Severance Tax Oil & Gas	1.1			0.4			0.4
<b>TOTAL</b>	<b>70,960.2</b>	<b>31,595.5</b>	<b>44.8</b>	<b>2,319.0</b>	<b>42.3</b>	<b>716.8</b>	<b>34,718.4</b>

\* Indeterminate

\*\* The total of Sales and Use Tax exemptions does not include \$42.9 billion of sales tax that could be collected if sales of services were subject to sales tax in Florida. Services are not exempt from the sales tax, instead, they are "excluded" from the tax base because the sales tax generally applies to the sale of tangible personal property, not services.

\*\*\* The total of Corporate Income Tax exemptions does not include \$1.8 billion of tax that could be collected if S Corporations, Limited Partnerships and Limited Liability Companies were subject to Corporate Income Tax in Florida. These entities are not exempt from the Corporate Income Tax; instead, they are "excluded" from the tax base because the Corporate Income Tax generally applies to "C" corporations and does not apply to these entities.

NOTE: Some exemptions overlap so that repeal of all exemptions would not yield the total shown.



## **STATE REVENUE SOURCES**



## ARTICLE V FEES AND TRANSFERS

FLORIDA STATUTES: The authority for Article V fees and transfers is provided in Chapters 25, 27, 28, 34, 44, 57, 142, 318, 501, 741, and 775, Florida Statutes. The specific statutory citation and corresponding fees, service charges and fines collected by the Florida Clerks of the Court and remitted to the state for deposit in the General Revenue Fund and various state trust funds are as follows:

Statutory Citation	Fee, Service Charge, or Fine Description
34.041(1)(b)	First \$10 of the filing fees for county civil claims under subparagraph 34.041(1)(a)7
34.041(1)(b)	\$15 of the filing fees for county civil claims under subparagraph 34.041(1)(a)4
34.041(1)(e)	\$195 of the first \$200 filing fees for Non-Foreclosure payable under subparagraph (a)5 between \$15,001-\$50,000
34.041(1)(e)	\$1 of the first \$200 filing fees payable under subparagraph (a)5
34.041(1)(e)	\$4 of the first \$200 filing fees payable under subparagraph (a)5
34.041(1)(b)	\$3.50 of additional \$4 filing fee for county civil claims
34.041(1)(b)	\$0.50 of additional \$4 filing fee for county civil action
318.21(2)(a)	20.6 percent of remainder of civil penalties received pursuant to Ch. 318
318.21(2)(b)	7.2 percent of remainder of civil penalties received pursuant to Ch. 318
318.21(2)(c)	5.1 percent of remainder of civil penalties received pursuant to Ch. 318
318.21(2)(d)	8.2 percent of remainder of civil penalties received pursuant to Ch. 318
318.21(2)(e)	2 percent of remainder of civil penalties received pursuant to Ch. 318
318.18(20)(a)	\$5 of the \$10 fine for all noncriminal moving and nonmoving traffic violations under chapter 316, 320 & 322.
318.18(20)(b)	\$3.33 of the \$10 fine for all noncriminal moving and nonmoving traffic violations under chapter 316, 320 & 322.
318.18(20)(c)	\$1.67 of the \$10 fine for all noncriminal moving and nonmoving traffic violations under chapter 316, 320 & 322.
318.21(20)	\$25 increase in fines assessed under s. 318.18(3) for unlawful speed
318.18(16)(a)1.	Remaining \$30 of \$158 civil penalty for violation of ss. 316.075(1)(c)1 or 316.074(1)
318.18(16)(a)1.	Remaining \$ 3 of \$158 civil penalty for violation of ss. 316.075(1)(c)1 or 316.074(1)
28.101(1)(a)	\$5 additional charge for petitions for dissolution of marriage
28.101(1)(c)	\$55 additional charge for petitions for dissolution of marriage
28.241(1)(a)1.b.	\$95 of first \$100 in filing fees for circuit civil action
28.241(1)(a)1.b.	\$1.00 of first \$100 in filing fees for circuit civil action
28.241(1)(a)1.b.	\$4.00 of first \$100 in filing fees for circuit civil action
28.241(1)(a)1.a.	\$195 of first \$200 in filing fees for circuit civil action
28.241(1)(a)1.a.	\$1.00 of first \$200 in filing fees for circuit civil action
28.241(1)(a)1.a.	\$4.00 of first \$200 in filing fees for circuit civil action
28.241(1)(a)1.c. & e.	\$3.50 of additional \$4 filing fee for circuit civil action
28.241(1)(a)1.c. & e.	\$0.50 of additional \$4 filing fee for circuit civil action
28.2401(1)	\$115 of each filing fee collected under paragraphs (1)(a), (1)(c) - (i), and (1)(k) in probate matters
28.2401(3)	\$3.50 of additional \$4 service charge in probate matters
28.2401(3)	\$0.50 of additional \$4 service charge in probate matters
25.241, 35.22	\$50 of Supreme Court filing fee (from State Courts Operating TF)
25.241, 35.22	Supreme Court & DCA filing fees & service charges
34.041(1)(c)	\$295 counterclaim filing fee for county civil action
44.108(1)	\$1 filing fee on all circuit and county proceedings
44.108(2)	Fees collected for court-ordered mediation services
44.106	Licenses Mediation Certification
741.01(4)	\$25 additional fee upon receipt of application for marriage license
28.241(6)	\$100 fee for attorneys appearing pro hac vice in circuit court
34.041(8)	\$100 fee for attorneys appearing pro hac vice in county court
27.52(7)(b)	75 percent of any amount recovered by state attorney for fraudulent indigency claims in criminal proceedings
57.082(7)(b)	75 percent of any amount recovered by state attorney for fraudulent indigency claims in civil proceedings

## ARTICLE V FEES AND TRANSFERS

Ch. 2010-134	\$50 administration fee per trustee deed for each deed recorded pursuant to the trustee foreclosure procedures set forth in ss. 721.855 and 72
501.2075	Up to \$10,000 civil penalty assessed against persons found to have committed deceptive and unfair trade practices
Ch. 2008-111	Additional Revenue pursuant to Chapter 2008-111, L.O.F.
34.041(1)(e)	\$195 of the first \$200 filing fees for Foreclosure payable under subparagraph (a)5 between \$15,001-\$50,000
28.241(1)(a)2.d.	\$195 in filing fees for circuit civil action relating to real property or mortgage foreclosure
28.241(1)(a)2.d.	\$350 in filing fees for circuit civil action relating to real property or mortgage foreclosure
28.241(1)(a)2.d.	\$770 in filing fees for circuit civil action relating to real property or mortgage foreclosure
28.241(1)(a)2.d.	\$930 in filing fees for circuit civil action relating to real property or mortgage foreclosure
28.241(1)(a)2.d.	\$1.00 in filing fees for circuit civil action relating to real property or mortgage foreclosure
28.241(1)(a)2.d.	\$4.00 in filing fees for circuit civil action relating to real property or mortgage foreclosure

ADMINISTERED BY: Florida Department of Revenue, the State Court System, the Justice Administrative Commission, and Florida Clerks of the Court

### SUMMARY:

The 67 Clerks of the Court collect fees, service charges, and fines imposed pursuant to law. A portion of these fees, service charges, and fines are remitted monthly to the Florida Department of Revenue for deposit into the General Revenue Fund, State Court Revenue Trust Fund, Clerks of the Court Trust Fund, and various other state trust funds. By February 1 of each year, 50 percent of the cumulative excess revenues remaining in the Clerks of the Court Trust Fund beyond what is needed for current year operations is transferred to the General Revenue Fund pursuant to section 28.37(4), F.S.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Article V Fees General Revenue	Adjustments to General Revenue**	Trust Funds
2026-27*	185,900,000	-4.72%	56,500,000	0	129,400,000
2025-26*	195,100,000	4.37%	56,500,000	9,800,000	128,800,000
2024-25	186,938,150	-12.44%	52,533,581	10,855,958	123,548,611
2023-24	213,500,903	-7.35%	83,000,000	14,209,685	116,291,218
2022-23	230,445,878	9.19%	97,677,076	2,719,383	130,049,419
2021-22	211,047,472	13.73%	88,668,406	12,183,091	110,195,975
2020-21	185,570,420	-11.98%	77,231,862	0	108,338,558

\*Estimate

\*\*Pursuant to s. 28.37(4) F.S., not less than 50% the cumulative excess of all fines, fees and charges is to be transferred to General Revenue no later than February 1, 2022 and each year thereafter. The forecasted amount of these funds is \$9.8 million for February 1, 2026.

### HISTORY:

On November 3, 1998, Florida voters approved Revision 7 to Article V, Section 14 (b) of the Florida Constitution providing that circuit and county courts performing court-related functions be funded by adequate and appropriate filing fees for judicial proceedings, and service charges and costs for performing court-related functions as required by general law.

During the 2000 Legislative Session, the Legislature approved Chapter 2000-237, L.O.F. (SB 1212), setting forth a process for the clerks to develop and propose a schedule of fees and services to the Legislature for consideration.



## ARTICLE V FEES AND TRANSFERS

In 2003, the Legislature approved Chapter 2003-402, L.O.F. (HB 113-A), regarding the implementation of Revision 7 to Article V, section 14 (b) of the Florida Constitution, which was developed in accordance with the process established in Chapter 2000-237, L.O.F. Chapter 2003-402, L.O.F. (HB 113-A), also provided a schedule of fines, fees, and service charges as well as the disposition of revenues to the various entities, funds, and trust funds.

During the 2004 and 2005 Legislative Sessions, the Legislature approved Chapters 2004-265 and 2005-236, L.O.F. (SB 2962 and HB 1935), revising a number of fees, fines, and service charges.

During the 2008 Legislative Session, the Legislature approved Chapter 2008-111, L.O.F. (SB 1790), establishing several new and increasing many existing fines, fees, and service charges.

During the Special Legislative Session held in January 2009, the Legislature approved Chapter 2009-6, L.O.F. (SB 12-A), revising some fines and providing several new fines and fees to be collected by the Clerks of the Court for remission to the state and deposit in the newly created State Courts Revenue, Public Defenders Revenue, and State Attorneys Revenue Trust Funds. During the regular 2009 Legislative Session, Chapters 2009-61 and 2009-204, L.O.F. (SB 1718 and SB 2108), were approved, further revising fees and fines, redirecting some revenues, and changing the manner in which Clerks of the Court revenues and budgets were administered.

The 2013 Legislature approved Chapter 2013-44, L.O.F. (SB 1512), redirecting \$80 of circuit filing fee revenues from General Revenue to the Clerks of Court and, in effect, reinstituting the manner in which Clerks of the Court revenues and budgets were administered prior to the 2009 legislative changes.

The 2017 Regular and Special Legislative Sessions made numerous changes to Article V fees. The Displaced Homemaker Trust Fund was abolished and its fees related to dissolution of marriage redirected into the General Revenue Fund. In addition, various fees which were distributed into the General Revenue Fund where instead directed to be distributed into the Clerk's Fine and Forfeiture Funds. The Clerks were also directed to deposit the 10 percent of fines which the Clerks previously received per s. 28.37, F.S. into the Fine and Forfeiture Funds. The Clerk's new revenue was accompanied by the requirement that the total combined budgets of the clerks of court not exceed the revenue estimates established by the most recent Revenue Estimating Conference.

Chapter 2018-118, L.O.F. (HB 7087), passed during the 2018 session, reduced traffic fines when the person elects to attend traffic improvement school and redirected fees to offset the impact to the State Courts Revenue Trust Fund.

During the 2019 session, the Legislature passed Chapter 2019-42, L.O.F. (HB 7123) directing that the State Courts Revenue Trust Fund portion of traffic fines when the person elects to attend traffic improvement school be eliminated with further fee redirects from General Revenue used to offset the loss to the trust fund. The 2019 Legislature also passed Chapter 2019-58, L.O.F. (HB 337), which dealt with numerous court fee issues: most importantly, effective January 1, 2020, the county court jurisdictional threshold was increased from \$15,000 to \$30,000. Effective January 1, 2023, the county court jurisdictional threshold was further increased from \$30,000 to \$50,000. As the jurisdictional limit for these cases changes, the filing fees move from circuit court to county court; however, the law was written so that the impact to the various receiving funds was negated. The 2019 legislation also revised numerous statutes referencing the fines, fees, and charges originally increased by Ch. 2008-111 L.O.F. to specify that those fees were to be deposited into the General Revenue Fund. These changes were remedial and clarifying in nature and applied retroactively to July 1, 2008.

## ARTICLE V FEES AND TRANSFERS

The 2020 Legislature passed Chapter 2020-61, L.O.F. (SB 1392), which stated that the circuit courts would no longer have jurisdiction over appeals from county court with certain exceptions effective January 1, 2021.

The 2023 Legislature passed Chapter 2023-284 L.O.F. (HB 977), which shifted fees from the General Revenue Fund to the Clerk's Fine and Forfeiture Funds. These include portions of the fees for Marriage Dissolutions and Foreclosures, as well as a collection of Summons and Probate fees that were previously included as part of the Ch. 2008-111 group.

The 2024 Legislature passed Chapter 2024-153 L.O.F. (CS CS HB 1077), which shifted fees from the General Revenue Fund to the Clerk's Fine and Forfeiture Funds and County funds. These include a collection of Summons and Traffic fees that were previously included as part of the Ch. 2008-111 group. In addition, any interest earned in Clerk's Fine and Forfeiture Funds must be transferred to County funds.

### BASE AND RATE:

First \$10 of the filing fees for county civil claims under subparagraph 34.041(1)(a)7; \$15 of the filing fees for county civil claims under subparagraph 34.041(1)(a)4; \$195 of the first \$200 filing fees for Non-Foreclosure payable under subparagraph (a)5 between \$15,001-\$50,000; \$1 of the first \$200 filing fees payable under subparagraph (a)5; \$4 of the first \$200 filing fees payable under subparagraph (a)5; \$3.50 of additional \$4 filing fee for county civil claims; \$0.50 of additional \$4 filing fee for county civil action; 20.6 percent of remainder of civil penalties received pursuant to Ch. 318; 7.2 percent of remainder of civil penalties received pursuant to Ch. 318; 5.1 percent of remainder of civil penalties received pursuant to Ch. 318; 8.2 percent of remainder of civil penalties received pursuant to Ch. 318; 2 percent of remainder of civil penalties received pursuant to Ch. 318; \$5 of the \$10 fine for all noncriminal moving and nonmoving traffic violations under chapter 316, 320 & 322.; \$3.33 of the \$10 fine for all noncriminal moving and nonmoving traffic violations under chapter 316, 320 & 322.; \$1.67 of the \$10 fine for all noncriminal moving and nonmoving traffic violations under chapter 316, 320 & 322.; \$25 increase in fines assessed under s. 318.18(3) for unlawful speed; remaining \$30 of \$158 civil penalty for violation of ss. 316.075(1)(c)1 or 316.074(1); remaining \$3 of \$158 civil penalty for violation of ss. 316.075(1)(c)1 or 316.074(1); \$5 additional charge for petitions for dissolution of marriage; \$55 additional charge for petitions for dissolution of marriage; \$95 of first \$100 in filing fees for circuit civil action; \$1.00 of first \$100 in filing fees for circuit civil action; \$4.00 of first \$100 in filing fees for circuit civil action; \$195 of first \$200 in filing fees for circuit civil action; \$1.00 of first \$200 in filing fees for circuit civil action; \$4.00 of first \$200 in filing fees for circuit civil action; \$3.50 of additional \$4 filing fee for circuit civil action; \$0.50 of additional \$4 filing fee for circuit civil action; \$115 of each filing fee collected under paragraphs (1)(a), (1)(c) - (i), and (1)(k) in probate matters; \$3.50 of additional \$4 service charge in probate matters; \$0.50 of additional \$4 service charge in probate matters; \$50 of Supreme Court filing fee (from State Courts Operating TF); Supreme Court & DCA filing fees & service charges; \$295 counterclaim filing fee for county civil action; \$1 filing fee on all circuit and county proceedings; fees collected for court-ordered mediation services; licenses Mediation Certification; \$25 additional fee upon receipt of application for marriage license; \$100 fee for attorneys appearing pro hac vice in circuit court; \$100 fee for attorneys appearing pro hac vice in county court; 75 percent of any amount recovered by state attorney for fraudulent indigence claims in criminal proceedings; 75 percent of any amount recovered by state attorney for fraudulent indigence claims in civil proceedings; \$50 administration fee per trustee deed for each deed recorded pursuant to the trustee foreclosure procedures set forth in ss. 721.855 and 72; up to \$10,000 civil penalty assessed against persons found to have committed deceptive and unfair trade practices; additional Revenue pursuant to Chapter 2008-111, L.O.F; \$195 of the first \$200 filing fees for Foreclosure payable under subparagraph (a)5 between \$15,001-\$50,000; \$195 in filing fees for circuit civil action relating to real property or mortgage foreclosure; \$350 in filing fees for circuit civil action relating to real property or mortgage foreclosure; \$770 in filing fees for circuit civil action relating to real property or mortgage foreclosure; \$930 in filing fees for circuit civil action relating

## ARTICLE V FEES AND TRANSFERS

to real property or mortgage foreclosure; \$1.00 in filing fees for circuit civil action relating to real property or mortgage foreclosure; and \$4.00 in filing fees for circuit civil action relating to real property or mortgage foreclosure.

### DISPOSITION:

The Clerks of the Court collect fees, service charges, and fines from individuals and remit them to the Florida Department of Revenue by the tenth of each month following their collection. The revenues are deposited by the Department of Revenue into the General Revenue Fund and designated state trust funds as provided by law.

### THE AFFECTED TRUST FUNDS ARE:

- 1) COCTF – Clerks of the Court Trust Fund
- 2) SCRTF – State Courts Revenue Trust Fund
- 3) DFSATF - Department of Financial Services Administrative Trust Fund
- 4) CETF – Court Education Trust Fund
- 5) SARTF – State Attorneys Revenue Trust Fund
- 6) BSCITF – Brain and Spinal Cord Injury Trust Fund
- 7) ACCTF – Additional Court Costs Trust Fund
- 8) EMSTF – Emergency Medical Services Trust Fund
- 9) DVTF – Domestic Violence Trust Fund
- 10) DHTF – Displaced Homemaker Trust Fund
- 11) CWTF – Child Welfare Trust Fund
- 12) GDTFDVR – Grants and Donations Trust Fund of the Division of Vocational Rehabilitation
- 13) ICDTF – Indigent Criminal Defense Trust Fund

### OTHER STATES:

According to the National Center for State Courts, all 50 states, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, and the U.S. Federal Court System impose some form of court fees.

## AUTO TITLE AND LIEN FEES

FLORIDA STATUTES: Chapter 319

ADMINISTERED BY: Department of Highway Safety and Motor Vehicles

### SUMMARY:

Fees are imposed on motor vehicles titled in Florida. For each original certificate of title and for each duplicate copy, the fee is \$70.00. An additional \$10.00 fee is imposed on each original certificate of title issued for a motor vehicle previously registered outside Florida.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	General Revenue	State Transportation Trust Fund	Other State Trust Fund
2026-27*	497,300,000	0.81%	110,000,000	318,155,355	69,144,645
2025-26*	493,300,000	-1.95%	107,400,000	316,980,809	68,919,191
2024-25	503,122,082	3.50%	113,355,515	319,248,762	70,517,805
2023-24	486,103,669	-3.59%	101,160,690	317,476,062	67,466,917
2022-23	504,183,388	-1.07%	112,025,590	321,858,184	70,299,614
2021-22	509,653,105	2.20%	147,727,769	321,493,520	40,431,816
2020-21	498,664,231	14.47%	141,164,468	319,569,838	37,929,925

\* Estimate

### HISTORY:

In 1923, Florida passed an act to protect the title of motor vehicles within the state. The act provided for the issuance and registration of certificates of ownership. The motor vehicle title law was revised in 1941, and fees were imposed for the first time. Fees were increased in 1947 and 1967. In 1990, the fee for each original certificate of title and each duplicate copy of a certificate of title on all motor vehicles, except those for hire, was increased from \$3 to \$24. The \$21 increase is for deposit into the State Transportation Trust Fund. Chapter 98-397, L.O.F. (HB 271), required the Department of Highway Safety and Motor Vehicles to charge a fee of \$7.00 for each lien placed on a motor vehicle by the state child support enforcement program for deposit into the General Revenue Fund. Effective July 1, 2000, Chapter 2000-257, L.O.F. (SB 862), eliminated the 7 percent General Revenue Service Charge on the \$24 original certificate of title fee and each duplicate copy fee, which increased the distribution to the State Transportation Trust Fund. Chapter 2002-235, L.O.F. (SB 522), required all auto title and lien revenues collected by county officials to be submitted by electronic funds transfer to the State Treasury no later than five working days, instead of seven working days as provided for in Chapter 116, F.S., after the close of the business day in which the funds were received. As a result of the 2009 Regular Legislative Session, Chapter 2009-71, L.O.F. (SB 1778), raised fees beginning September 1, 2009.

Chapter 2012-128, L.O.F. (SB 1998), redirected \$47 of the title lien revenues then deposited in the General Revenue Fund to the State Transportation Trust Fund. Deposits to the State Transportation Trust Fund resulting from the redirect were limited to \$200 million in any fiscal year; any collections in excess of the \$200 million cap were deposited into the General Revenue Fund. From the same \$47 portion of title fees, Chapter 2022-155 redirected an additional \$30 million to the Highway Safety Operating Trust Fund. General Revenue was limited to collections in excess of the \$200 State Transportation Trust fund cap and the \$30 million Highway Safety Operating Trust Fund cap – a total trust fund cap of \$230 million.

## AUTO TITLE AND LIEN FEES

### BASE AND RATE:

In accordance with s. 319.32, F.S., a \$70.00 fee is levied for original certificate of title and duplicates of title of all motor vehicles except for a motor vehicle for hire registered under s. 320.08(6), F.S. There is an additional \$4.25 service charge for the transfer of any certificate of title and a \$2.00 fee for assignment by a lien holder, memorandum certificates, and noting a lien and its satisfaction. There is a \$1.25 service charge for the recordation or notation of a lien which is not related to the purchase of a vehicle. A service fee of \$2.50, for deposit into the Highway Safety Operating Trust Fund, is charged for the shipping and handling of each paper title mailed by the department. A fee of \$10 for motor vehicles and mobile homes and \$5 for vessels is charged for certain types of expedited services, which is in addition to the fees imposed by s. 319.32, F.S. The fee, after deducting the \$1 odometer fee amount referenced by s. 319.324, F.S., and \$3.50 to be retained by the processing agency, is deposited into the General Revenue Fund. An additional service charge of not more than \$0.50 may be imposed by the tax collector when any of the above mentioned transactions occur at a tax collector's branch office. Application for title must be made within 30 days of acquisition, subject to a \$20 late fee penalty.

### DISPOSITION:

General Revenue Fund: \$48 per each original certificate of title and each duplicate copy of a certificate of title and all other fees collected by the department not specifically earmarked for deposit into a trust fund from a For Hire vehicle. \$1 per each original certificate of title and each duplicate copy of a certificate of title and all other fees collected by the department not specifically earmarked for deposit into a trust fund from vehicles other than For Hire vehicles.

State Transportation Trust Fund: \$21 per each original certificate of title and each duplicate copy of a certificate of title. This fee is not currently charged on For Hire vehicles per s. 319.32(1), F.S. Titles for vehicles other than For Hire distribute \$47 to the State Transportation Trust Fund which is capped at \$200 million.

Highway Safety Operating Trust Fund: Titles for vehicles other than For Hire distribute \$47 to the Highway Safety Operating Trust Fund which is capped at \$30 million. Any amount collected above \$230 million is distributed to the General Revenue Fund.

Non-game Wildlife Trust Fund: An additional \$10 per each original certificate of title issued for a vehicle previously registered outside Florida.

### OTHER STATES:

All states, plus the District of Columbia, assess a fee or a tax for issuing a certificate of title or ownership. Most states charge a fee, ranging from \$1 to \$35, while others incorporate title fees into auto sales excise taxes. The most frequently occurring fees are in the range of \$1 to \$10.

### VALUE OF RATE CHANGE:

Value of \$1 on all titles issued

2026-27  
(millions)

\$ 6.5

## BEVERAGE LICENSES

FLORIDA STATUTES: Chapters 561 - 568

ADMINISTERED BY: Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco

### SUMMARY:

Beverage licenses are required for any person or entity that would manufacture, bottle, distribute, sell, or in any way deal with the commerce of alcoholic beverages.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Beverage License Distributions		
			Cities & Counties	Trust Fund	General Revenue Service Charge
2026-27*	51,470,000	0.00%	20,890,000	26,460,000	4,120,000
2025-26*	51,470,000	0.02%	20,620,000	26,730,000	4,120,000
2024-25	51,458,306	4.37%	20,332,270	27,009,372	4,116,664
2023-24	49,304,134	12.21%	19,282,460	26,077,343	3,944,331
2022-23	43,938,966	-4.63%	18,640,615	21,783,234	3,515,117
2021-22	46,072,737	0.63%	19,385,297	23,001,621	3,685,819

\* Estimate

### HISTORY:

Florida legalized the manufacturing and selling of alcoholic beverages in 1933, subject to county approval. The same form and rates of licenses were in effect from 1935 until 1971. The 1971 Legislature rewrote the alcoholic beverage laws. License fees were increased substantially for vendors of wine and liquor. Vendors' licenses for liquor sales were limited to one per 2,500 residents, but special licenses were issued to certain organizations. Until 1986, distributions of license revenues were as follows: 24 percent to the county where collected; 38 percent to the city where collected; and the remainder to the General Revenue Fund. Beginning July 1, 1986, all beverage license revenue, less distributions to counties and cities, was earmarked for deposit into the Alcoholic Beverage and Tobacco Trust Fund, to be used to operate the Division of Alcoholic Beverages and Tobacco. A surtax of 40 percent of license fees for beer and wine vendors was imposed, for deposit into the trust fund. Bottle clubs became subject to the licensing provisions of Chapter 561, F.S., in 1990, with an annual license fee of \$500. In 1992, the Legislature expanded the definition of "licensed premises" to include sidewalks and other outside areas, increased the Hughes Act fee for a new liquor license from \$5,000 to \$10,750, and revised the formula for the issuance of quota alcoholic beverage licenses. The Legislature also provided for the issuance of a special license for consumption on-premises only, for a qualified performing arts center.

In 1997, the Legislature amended s. 561.24, F.S., to prohibit a wine manufacturer from being dually licensed as a distributor and registered as an exporter. A grandfather clause was added to exempt any manufacturer of wine that held a distributor's license on April 1, 1997, from the new prohibition. An additional exemption was provided for certified Florida Farm Wineries as defined in s. 599.004, F.S., to hold a manufacturer's license and a distributor's license. The Legislature also clarified that the licensure of distributors' salesmen of spirituous or vinous beverages does not apply for cider. Chapter 2000-191, L.O.F. (HB 2281), provided the following changes to the beverage license laws: increased the quota license restriction from one license for every 5,000 residents to one license for every 7,500 residents in a county; required that a transfer fee equal to fifteen times the annual license fee be assessed on the transfer

## BEVERAGE LICENSES

of any quota license issued after October 1, 2000, which is in addition to the transfer fees assessed in s. 561.32(3)(a), F.S.; and created a special alcoholic beverage license for caterers.

In 2007, legislation was passed prohibiting a licensed alcoholic beverage establishment from denying service to a designated driver. In 2008, the Tied House Evil laws were extended to include importers, primary American sources of supply, brand owners or registrants, or any related brokers, sales agents, or salespersons to the prohibitions of giving financial aid and assistance to vendors. The law was extended to allow vendors to own brands, brand names, or labels of alcoholic beverages.

In 2017, Chapter 2017-137 L.O.F. (HB 689) was amended to eliminate the temporary beverage license fee of \$100 and reduce craft distillery licensing fees from \$4,000 to \$1,000.

In 2021, the Legislature created s. 565.02 (12), F.S., to provide a quota license exemption for a craft distillery's vendor's license if the craft distillery is located on a property within a destination entertainment venue and open for tours during normal business hours. The legislation also amended s. 565.03, F.S., to increase the production limit for distilleries to qualify as craft distilleries from 75,000 gallons per year to 250,000 gallons per year. Effective July 1, 2026, a minimum of 60 percent of a craft distillery's total finished branded products must be distilled in the state and contain one or more of Florida's agricultural products.

In 2023, Section 561.20, F.S. was revised to expand the types of establishments that will be eligible for exemptions to the limitation of special beverage licenses per county. The minimum square footage and seating requirements were lowered but the requirement that 51% of revenue come from food or non-alcoholic drink sales remained unchanged.

### BASE AND RATE:

Beer: Vendor, on-premises \$40 to \$200 depending on the size of the county; off-premises 50 percent of on-premises rate; surtax of 40 percent of license fee. Manufacturers of only malt liquor \$3,000; Manufactures brewing less than 10,000 kegs \$500. Distributors \$1,250.

Wine: Vendor, on-premises \$120 to \$280 depending on the size of the county; off-premises 50 percent of on-premises rate; surtax of 40 percent of license fee. Manufacturers of wine \$1,000; Manufacturers of wine and cordials \$2,000. Distributors \$50 - \$1,250.

Spirits: Vendor, on-premises \$624 to \$1,820 depending on the size of county and the number of locations on the premises where consumption occurs; off-premises are 75 percent of on-premises rate. Different rates for vendor licenses apply to transportation companies, nightclubs, private clubs, racetracks, and jai alai frontons. License rates are stated as state, county, and city licenses. Manufacturers of liquors \$4,000; Craft Distilleries \$1,000. Distributors \$4,000.

### DISPOSITION:

Of the base license tax imposed and collected within a county, 24 percent is returned to the county tax collector; 38 percent of the license tax imposed and collected within an incorporated municipality is returned to the municipality; the remainder plus 100 percent of the surtax on beer and wine licenses is deposited into the Alcoholic Beverage and Tobacco Trust Fund.

### OTHER STATES:

There are 17 states that control the sale of beer, wine, or spirits and 33 states and the District of Columbia that license the sale of liquor. Every state that allows alcoholic beverages to be sold by private industry imposes a vendor's license fee. All states impose a license fee on the manufacture or distribution of alcoholic beverages. Some states charge a licensing fee for importers in addition to wholesale license

## BEVERAGE LICENSES

fees.<sup>1</sup> There is no uniform rate schedule among the states for comparisons, but among the states for which comparisons can be made in the amount of revenues raised, Florida ranks high. Florida collects approximately 9 percent of the total alcoholic beverage license fee revenues in the United States annually, with only Texas, New York, and California collecting more revenues.<sup>2</sup>

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<sup>1</sup> Distilled Spirits Taxes by State, <https://taxfoundation.org/data/all/state/state-distilled-spirits-taxes-2024/>

<sup>2</sup> State Spirits Data, <https://www.distilledspirits.org/state-issues-market-modernizations/>



## B E V E R A G E   T A X

FLORIDA STATUTES: Chapters 561 - 568

ADMINISTERED BY: Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco.

### SUMMARY:

Taxes on alcoholic beverages are levied at the wholesale level in Florida. An excise tax is imposed on the distributor for each gallon, depending on the alcohol by volume (ABV). Beer is taxed at \$0.48 per gallon, wine at \$2.25 to \$3.50 per gallon, cider at \$0.89 per gallon, and spirits at \$2.25 to \$9.53 per gallon. Of the monthly collections of the excise taxes on alcoholic beverages, 2 percent is deposited into the Alcoholic Beverage and Tobacco Trust Fund to meet the division's appropriation for the state fiscal year. In addition, a flat \$60 million is distributed each year to select medical centers. The remainder of the excise taxes is credited to the General Revenue Fund.

REVENUE:	Beverage Tax Components				
Fiscal Year	Beverage Wholesale Liability	Passenger Vessel Tax	Direct Wine Tax	Pre-Consented Tax Credits	Net Tax to be Distributed
2026-27*	780,300,000	1,200,000	2,500,000	489,400,000	294,600,000
2025-26*	775,900,000	1,200,000	2,500,000	487,000,000	292,600,000
2024-25	778,926,291	1,184,409	2,500,100	478,153,763	304,457,037
2023-24	811,500,000	1,023,485	2,510,896	473,600,000	341,434,382
2022-23	819,700,000	979,045	2,813,346	506,100,000	317,392,391
2021-22	827,800,000	535,598	3,204,505	472,500,000	359,040,103

\* Estimate

DISTRIBUTIONS:	ABT Trust Fund Components		General Revenue Components			
Fiscal Year	Distribution to Select Medical Centers	Net ABT Trust Fund Distribution	Service Charge**	General Revenue	Unused DBPR Transfer	Beverage Tax & ABT Trust Fund Transfer
2026-27*	60,000,000	9,600,000	6,100,000	218,900,000	5,000,000	223,900,000
2025-26*	60,000,000	9,600,000	6,000,000	217,000,000	15,000,000	232,000,000
2024-25	30,000,000	8,339,100	3,410,938	262,706,999	12,000,000	274,706,999
2023-24	0	15,074,686	1,290,930	325,012,010	20,000,000	345,012,010
2022-23	0	14,211,650	1,267,564	301,891,563	10,000,000	311,891,563
2021-22	0	15,427,758	1,210,572	342,369,582	10,000,000	352,369,582

\* Estimate

\*\* Calculation

### HISTORY:

In 1933, Florida authorized the sale of alcoholic beverages, and a tax was placed on manufacturers, distributors, and vendors of beer and liquor. In 1935, the beverage tax was extended to include beer, wine, and liquor. The tax rates were increased on specific beverage categories in 1937, 1941, 1947, 1949, 1967, 1968, and 1972. The primary tax rates were increased in 1945, 1963, 1977, and 1983 on all alcoholic beverages, and the classification of beverages was established as they now exist. The drinking age was increased from 19 to 21 in 1985. In 1986, the measurement for alcoholic content was changed

## BEVERAGE TAX

from percent of alcohol by weight to percent of alcohol by volume. In 1985, a lower tax rate was imposed for wines and liquors manufactured from Florida citrus products and sugarcane. In 1988, the Supreme Court of Florida ruled that the lower state tax rates for wines and liquors were unconstitutional. The 1988 Legislature imposed an import tax on alcoholic beverages imported into the state, which was later declared unconstitutional by the 2<sup>nd</sup> Judicial Circuit Court. As a result, all alcoholic beverages sold in the state became subject to the full state excise tax.

In 1990, a surcharge of \$0.10 per ounce of liquor, \$0.10 per 4 ounces of wine, and \$0.04 per 12 ounces of beer was imposed on alcoholic beverages sold for on-premise consumption, to be paid by the retail vendor. In 1997, several provisions increasing enforcement for unlawful shipments of beverages from out-of-state were passed, and the surcharge rate on cider was reduced from \$0.10 per 4-ounce serving to \$0.06 per 12-ounce serving. In 1999, all surcharge tax rates were reduced by one-third, and in 2000 they were reduced again by one-half. In 2001, the Legislature removed the 8, 12, and 16-ounce restrictions on container sizes of malt beverages sold at retail, allowing malt beverages to be sold in individual containers of any size of 32 ounces or less.

Chapter 2004-2, L.O.F. (SB 2002), directed the following distributions from beverage excise tax collections: Grants and Donations Trust Fund, Department of Elder Affairs - \$15 million annually; Biomedical Research Trust Fund - \$6 million annually; and the Florida State University School of Chiropractic Medicine - \$9 million annually. Chapter 2006-182, L.O.F. (HB 1027), eliminated the distributions to the Grants and Donations Trust Fund in the Department of Elder Affairs, the Biomedical Research Trust Fund, and the Florida State University School of Chiropractic Medicine and restored the funds to the General Revenue Fund. Chapter 2006-162, L.O.F. (HB 7105), repealed the on-premises consumption surcharge, effective July 1, 2007. Chapter 2010-24, L.O.F. (SB 2126), expanded the revenue sources against which tax credits may be granted for contributions to the Florida Tax Credit Scholarship Program to include alcoholic beverage taxes.

Chapter 2016-220, L.O.F. (HB 7099) replaced the beverage and tobacco taxes that cruise lines pay with a new, simplified tax based on ship capacity and the number of times a ship embarks from Florida.

Chapter 2024-158 (HB 7073) created s. 561.1214, F.S., to establish Child Care Tax Credits against beverage tax. Beginning January 1, 2024, a credit is allowed pursuant to s. 402.261 against any tax due under s. 563.05, s. 564.06, or s. 565.12, except excise taxes imposed on wine produced by manufacturers in this state from products grown in this state. There are maximum limits to credits allowed under the section. The credits result only in a reduction in distributions to the General Revenue Fund.

Chapter 2024-158, L.O.F. (HB 7073) amends s. 561.121, F.S., to create a total annual distribution of \$30 million to certain medical research centers and programs. Beginning July 1, 2024, after the distribution to the Alcoholic Beverage and Tobacco Trust Fund, 13% of monthly collections, pursuant to ss. 563.05, 564.06, 565.02(9), and 565.12 will be allocated to the University of Miami Sylvester Comprehensive Cancer Center, the Mayo Clinic Comprehensive Cancer Center in Jacksonville, the Brain Tumor Immunotherapy Program at the University of Florida Health Shands Cancer Center, and the Norman Fixel Institute for Neurological Diseases at the University of Florida.

Chapter 2025-208, L.O.F. (HB 7031) amends s. 561.121, F.S., to increase the annual distributions to certain medical research centers and programs from \$30 million to \$60 million. Beginning July 1, 2025, after the distribution to the Alcoholic Beverage and Tobacco Trust Fund, 26% of monthly collections, pursuant to ss. 563.05, 564.06, 565.02(9), and 565.12 will be allocated to the University of Miami Sylvester Comprehensive Cancer Center (\$20 million); the Mayo Clinic Comprehensive Cancer Center in Jacksonville (\$20 million); the Brain Tumor Immunotherapy Program at the University of Florida Health

## B E V E R A G E   T A X

Shands Cancer Center (\$10 million) and the Norman Fixel Institute for Neurological Diseases at the University of Florida (\$10 million). The distributions are repealed on June 30, 2054.

### BASE AND RATE:

Type of Beverage	Alcohol By Volume	Per Gallon
Beer	0.500% or more	\$0.48
Wine	Less than 17.259%	\$2.25
Wine	17.259% or more	\$3.00
Sparkling Wine	All	\$3.50
Wine Coolers	All	\$2.25
Cider	All	\$0.89
Liquor	Less than 17.259%	\$2.25
Liquor	17.259% to 55.780%	\$6.50
Liquor	55.780% or more	\$9.53

Beer distributors are allowed 2.5 percent of taxes collected and remitted, liquor distributors are allowed 1 percent of taxes collected and remitted, and wine distributors are allowed 1.9 percent of taxes collected and remitted as a dealer collection allowance.

### DISPOSITION:

Viticulture Trust Fund: 50 percent of all revenue collected from the excise taxes imposed on wine products produced by Florida manufacturers from products grown in the state.

Alcoholic Beverage and Tobacco Trust Fund: 2 percent of the Excise Tax for beer, wine, and liquor, excluding the impact of credits.

General Revenue Fund: Receives the remainder of the proceeds, as well as the 8 percent General Revenue Service Charge.

### OTHER STATES:

All states, plus the District of Columbia, tax the sale of alcoholic beverages. There are 17 states that control the sale of liquor, and 33 states plus the District of Columbia that license the sale of liquor. Among the states for which comparisons can be made, Alaska and Georgia are the only states with higher excise tax rates for wine. Florida ranks fifth for excise tax on beer. Lastly, excluding states that control the sale of liquor, Florida is ranked fourth in excise taxes on liquor with Washington, Alaska, and Illinois being higher.<sup>1</sup>

2026-27  
(millions)

### VALUE OF RATE CHANGE:

Value of 1 cent per gallon levy on beer	\$4.0
Value of 10 cents per gallon levy on liquor	\$7.7
Value of 10 cents per gallon levy on wine	\$7.0

<sup>1</sup> State Alcohol Excise Tax Rates | Tax Policy Center, <https://taxpolicycenter.org/statistics/state-alcohol-excise-tax-rates>

## BEVERAGE TAX

### VALUE OF CREDITS:

Scholarship Funding Organizations (\$1,092m cap)	\$450.0
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas (s. 561.1211)	
New Worlds Reading Initiative Tax Credit (\$60m cap)	\$15.9
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas (s. 561.1212)	
Strong Families Credit (\$40m cap)	\$23.5
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas (s. 561.1213)	
Child Care Tax Credit (\$5m cap) (s. 561.1214)	\$0.0

### VALUE OF EXEMPTIONS:

Beverages sold on military installations (s. 563.05, beer), (s. 564.06(8), wine), (s. 565.12(3), liquor)	\$3.6
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### VALUE OF REFUNDS AND ALLOWANCES:

Dealer allowance on wine (1.9 percent) (s. 564.06(7))	\$5.6
Dealer allowance on beer (2.5 percent) (s. 563.07)	\$3.4
Dealer allowance on liquor (1 percent) (s. 565.13)	\$3.8
Tax Refunds	\$0.1

### ALTERNATIVE BASES:

Price-Based Alcoholic Beverage Tax: The current alcoholic beverage tax is an ABV tax. Growth in tax revenue is tied, therefore, to increases in consumption and not increases in price. As an alternative to the current tax base, the alcoholic beverage tax could be converted to a price-based tax. The rate could be either fixed or varied based on an item's alcoholic content. The price used could be at the manufacturing, wholesale, or retail level.

Indexed Alcoholic Beverage Tax: Another option would be to index the current alcoholic beverage tax rate based on general price increases or a percentage increase in alcoholic beverage prices. For example, alcoholic beverage taxes could be annually adjusted by the percentage change in the Consumer Price Index. This would allow taxes to be adjusted for inflation.

# CIGARETTE AND OTHER TOBACCO PRODUCTS TAX AND SURCHARGE

FLORIDA STATUTES: Chapter 210

ADMINISTERED BY: Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco

## SUMMARY:

Taxes are imposed on the sale of cigarettes and other tobacco products in Florida. The tax is paid by the wholesale dealer at the time of first sale within the state. For cigarettes of common size, the rate is \$0.339 per pack, with rates varying proportionately for cigarettes and packs of non-standard size. Additionally, a \$1.00 surcharge per pack of common-size cigarettes is imposed, with rates varying proportionately for cigarettes and packs of non-standard size. For other tobacco products, the tax rate is 25 percent of the wholesale price, with an additional surcharge of 60 percent of the wholesale price.

## REVENUE:

Fiscal Year	Total Collections	Annual Change %	Cigarette Tax Collections	Other Tobacco Products Tax Collections	Cigarette Surcharge	Other Tobacco Products Surcharge
2026-27*	769,400,000	-4.72%	164,600,000	33,400,000	491,700,000	79,700,000
2025-26*	807,500,000	-5.85%	173,300,000	34,400,000	517,600,000	82,200,000
2024-25	857,653,331	-6.78%	181,209,298	36,233,325	554,995,304	85,215,405
2023-24	920,045,992	-8.93%	198,364,085	38,327,076	592,089,219	91,265,612
2022-23	1,010,237,532	-4.63%	222,474,253	41,328,564	649,045,239	97,389,476
2021-22	1,059,287,138	-3.24%	231,038,284	42,004,227	688,965,248	97,279,378
2020-21	1,094,772,818	-0.05%	242,064,056	41,559,604	723,293,061	87,856,097

\* Estimate

## DISTRIBUTIONS:

Distributions from Cigarette Tax and Other Tobacco Products Tax								
Fiscal Year	Total Distributions	General Revenue	County Revenue Sharing	Public Medical Assistance	Moffitt Center	Biomedical Research Trust Fund **	GR Service Charge	ABT Transfer
2026-27*	197,700,000	95,000,000	4,300,000	43,900,000	38,400,000	1,500,000	13,100,000	1,500,000
2025-26*	207,400,000	101,200,000	4,600,000	46,200,000	38,400,000	1,600,000	13,800,000	1,600,000
2024-25	226,246,954	113,946,954	5,000,000	50,000,000	38,400,000	1,700,000	15,500,000	1,700,000
2023-24	227,152,277	126,552,277	5,000,000	50,400,000	26,900,000	1,700,000	14,900,000	1,700,000
2022-23	263,757,931	147,009,931	5,800,000	58,200,000	26,898,000	2,000,000	21,950,000	1,900,000
2021-22	274,569,361	157,069,361	6,100,000	61,800,000	26,900,000	2,100,000	18,500,000	2,100,000
2020-21	282,659,604	172,559,604	6,400,000	64,700,000	15,500,000	2,200,000	19,100,000	2,200,000

\* Estimate

\*\* Pursuant to s. 210.20(2)c, F.S., the funds distributed to the Biomedical Research Trust Fund benefit cancer centers participating in the Florida Consortium of National Cancer Institute Centers Program for the advancement of cures for cancers afflicting pediatric populations through basic or applied research.

## CIGARETTE AND OTHER TOBACCO PRODUCTS TAX AND SURCHARGE

Distributions from Cigarette and Other Tobacco Products Surcharge		
Fiscal Year	Health Care Trust Fund	General Revenue Service Charge
2026-27*	525,700,000	45,700,000
2025-26*	551,800,000	48,000,000
2024-25	630,000,000	54,700,000
2023-24	587,774,036	51,300,000
2022-23	690,756,715	55,550,000
2021-22	732,172,150	63,000,000
2020-21	735,000,000	64,900,000

\* Estimate

### HISTORY:

Florida began taxing cigarettes at 3 cents per pack in 1943. The tax rate was increased in 1949, 1963, 1971, 1977, 1986, and 1990. In 1949, cities were authorized by the state to levy a 2-cent cigarette tax which was credited against the state tax and collected by the state. In 1971, the cigarette tax was increased by 2 cents per pack for a total of 17 cents. The additional 2 cents per pack was deposited into the Municipal Financial Assistance Trust Fund. In 1972, municipal authority to levy a cigarette tax was repealed. In the Revenue Sharing Act of 1972, cities were allocated 13/17, counties 1/17, and the General Revenue Fund 3/17 of net collections. In 1982, the first proceeds of funds earmarked for deposit in the General Revenue Fund, up to a certain amount, were directed to be deposited in the Chronic Disease Research and Treatment Center Trust Fund for a period of three years. Chapter 85-141, L.O.F., imposed a 25 percent tax on the wholesale price of chewing tobacco, snuff, and loose tobacco for the first time. Chapter 90-132, L.O.F. (HB 3695), provided for a cigarette tax increase of 9.9 cents per pack, earmarked for deposit into the Public Medical Assistance Trust Fund, and authorized the Division of Alcoholic Beverages and Tobacco to withhold 0.9 percent of cigarette tax collections for deposit into the Alcoholic Beverage and Tobacco Trust Fund to fund the division. Chapter 98-286, L.O.F. (HB 3783), provided for a 10-year distribution of 2.59 percent to the H. Lee Moffitt Cancer Center and Research Institute and reduced the General Revenue distribution accordingly. Chapter 2000-355, L.O.F. (HB 2433), eliminated the distribution from cigarette tax to the Municipal Revenue Sharing Trust Fund and the Municipal Financial Assistance Trust Fund, resulting in an increase in the distribution to the General Revenue Fund. Chapter 2002-393, L.O.F. (HB 41-E), provided for an additional distribution to the H. Lee Moffitt Cancer Center and Research Institute: 0.2632 percent in 2002-03 and 2003-04; and 1.47 percent in 2004-05 through 2015-16, with the General Revenue distribution reduced accordingly. Chapter 2002-393, L.O.F. (HB 41-E), determined that from Fiscal Year 2004-2005 forward, the appropriation to Moffitt Center should not be less than the amount that would have been paid in Fiscal Year 2001-2002 had subparagraph (2)(b) of s. 210.20, F.S., been in effect. Chapter 2009-79, L.O.F. (SB 1840), imposed a surcharge of \$1.00 per pack of standard sized cigarettes, with proportionate surcharges on non-standard sized cigarettes. Additionally, a surcharge of 60 percent of the wholesale price was imposed on other tobacco products. Enforcement was strengthened concerning phone, mail, delivery service, and Internet sales of tobacco products. Indian-tax-exemption coupons were created to limit sale of untaxed cigarettes on Indian reservations.

## **CIGARETTE AND OTHER TOBACCO PRODUCTS TAX AND SURCHARGE**

Chapter 2009-58, L.O.F. (SB 1664), extended the 1.47 percent Moffitt Center distribution through 2019-20, with a corresponding reduction in the distribution to General Revenue. Chapter 2012-32, L.O.F. (HB 7087), ended the 1.47 percent Moffitt Center distribution and provided for a 2.75 percent distribution from cigarette excise tax beginning July 1, 2013, and continuing through June 30, 2033. Chapter 2014-38, L.O.F. (HB5601), increased the Moffitt Center distribution to 4.04 percent, which resulted in a recurring \$5 million increase in the distribution and a \$5 million decrease to General Revenue. Additionally, the legislation created s. 210.21(2)(c), F.S., to provide a 1 percent distribution from cigarette excise tax to the Biomedical Research Trust Fund in the Department of Health beginning July 1, 2013, and continuing through June 30, 2021. Chapter 2013-42, L.O.F. (SB 406), extended the distribution to the Biomedical Research Trust Fund through June 30, 2033.

Chapter 2016-220, L.O.F. (HB 7099) replaced the beverage and tobacco taxes that cruise lines pay with a new, simplified tax based on ship capacity and the number of times a ship embarks from Florida.

Chapter 2021-31, L.O.F. (HB 7061) increased the portion of net cigarette taxes distributed to the Moffitt Cancer Center from 4.04 percent to 7 percent from July 1, 2021 through June 30, 2024. Thereafter, the law increases the portion of net cigarette taxes distributed to the Moffitt Cancer Center from 7 percent to 10 percent; this treatment begins July 1, 2024, and continues through June 30, 2054.

### **BASE AND RATE:**

Cigarettes of common size (not over 3 lbs. per 1,000) are \$1.339 per pack (\$.339 tax and \$1.00 surcharge). For larger sizes and non-standard packs, other rates are specified (see ss. 210.02 and 210.011, F.S.). All non-cigarette tobacco products other than cigars are taxed at the rate of 85 percent (25 percent tax and 60 percent surcharge) of the wholesale sales price.

### **DISPOSITION:**

Cigarette Tax: Deductions from total collections include 8 percent for the General Revenue Service Charge and 0.9 percent to the Alcoholic Beverage and Tobacco Trust Fund. Distributions are then made from the remaining revenue as follows: 2.9 percent to County Revenue Sharing, 29.3 percent to the Public Medical Assistance Trust Fund, 10 percent to the Board of Directors of the H. Lee Moffitt Cancer Center and Research Institute (shall not be less than the amount that would have been paid to in fiscal year 2001-2002, had the distribution been in effect), 1 percent to the Biomedical Research Trust Fund, and the remainder to General Revenue. Effective 2017, the funds distributed to the Biomedical Research Trust Fund are paid annually to The Florida Consortium of National Cancer Institute Centers Program rather than the Sanford-Burnham Medical Research Institute, s. 210.20(2)c, F.S., (SB 2514).

Cigarette Surcharge: After a deduction of 8 percent for the General Revenue Service Charge, the remainder is distributed to the Health Care Trust Fund within the Agency for Health Care Administration.

Other Tobacco Products Tax: General Revenue Fund

Other Tobacco Products Surcharge: After a deduction of 8 percent for the General Revenue Service Charge, the remainder is distributed to the Health Care Trust Fund within the Agency for Health Care Administration.

# CIGARETTE AND OTHER TOBACCO PRODUCTS TAX AND SURCHARGE

## OTHER STATES:<sup>1</sup>

All states and the District of Columbia tax cigarettes at varying rates, ranging from \$0.17 in Missouri to \$5.35 in New York. Thirty-three states and the District of Columbia currently have higher cigarette tax rates than Florida (including the \$1.00 per pack surcharge).

	<u>2026-27</u> (millions)
<b>VALUE OF RATE CHANGES:</b>	
Cigarette Tax:	
Value of 1 cent per pack tax levy	\$4.9
(Note: this estimate assumes no reduction in consumption would result from a tax increase. With higher increases in the tax, consumption effects would likely occur reducing the associated per penny increase in tax collections.)	
Other Tobacco Products Tax:	
Value of 1 percent levy on currently taxed products	\$1.3
<b>VALUE OF EXEMPTIONS:</b>	
Cigarette Tax:	
Cigarettes sold at federal installations (s. 210.04(4)(a), F.S.)	\$0.6
(Note: Title 4, Section 107 USC (Buck Act), prohibits states from levying excise taxes on cigarettes sold at federal installations.)	
Cigarettes sold on Indian reservations (s. 210.05(5), F.S.)	\$5.9
Other Tobacco Products Tax:	
Other Tobacco Products sold at federal installations (s. 210.30(5), F.S.)	\$1.1
<b>VALUE OF REFUNDS AND ALLOWANCES:</b>	
Dealer collection allowance (s. 210.05(3)(a), F.S.)	\$3.5
(2 percent of taxes collected and due calculated on a 24-cent tax rate)	
Refund for unsold products (s. 210.11, F.S.)	\$0.6

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<sup>1</sup> State Cigarette Tax Rates & Rank, Date of Last Increase, Annual Pack Sales & Revenues, and Related Data, <https://assets.tobaccofreekids.org/factsheets/0099.pdf>



## CITRUS TAXES

FLORIDA STATUTES: Chapter 601

ADMINISTERED BY: Florida Citrus Commission

### SUMMARY:

Each box of fresh and processed citrus grown and placed into the primary channel of trade in this state is subject to an assessment levied and imposed on citrus. The annual per box assessment rates are determined by the Florida Citrus Commission each year, but cannot exceed maximum rates set forth in s. 601.15, F.S. Florida also imposes an “equalizing” assessment (s. 601.155, F.S.) on processed citrus products imported into the state.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	5,450,000	-0.91%
2025-26*	5,500,000	-2.59%
2024-25	5,646,246	-2.34%
2023-24	5,781,276	6.20%
2022-23	5,443,741	-19.54%
2021-22	6,765,441	-13.44%
2020-21	7,815,569	28.12%

\* Estimate

### HISTORY:

The Florida Citrus Commission was established in 1935 to protect and to stabilize the citrus industry in the state. The citrus tax was increased in 1953, 1970, 1971, and 1973, and over the years, various minor rate changes and restrictions on Commission actions have been passed. The “box” tax is imposed upon each box of citrus fruit grown and placed into the primary channel of trade in Florida subject to maximum annual tax rates, determined each season from the tables in s. 601.15, F.S., based upon the previous season’s actual statewide production as reported by the USDA and subject to additional maximum limits imposed by the Legislature. Section 601.156, F.S., which imposed an additional excise tax of 2 cents per box on each box of oranges grown in Florida and sold or delivered for processing, was repealed, effective July 1, 1995.

Florida also imposes an “equalizing” assessment (s. 601.155, F.S.) on processed citrus products imported into the state. Products grown within the United States are exempt from this assessment. The equalizing assessment was originally set at a rate equal to the per box assessment. However, in 2002, the Polk County Circuit Court ruled that the equalizing assessment found in s. 601.155, F.S., was unconstitutional as it violated the Commerce Clause.<sup>1</sup> In 2004, the Legislature passed CS/CS/SB 96 which codified the resulting settlement agreement and authorized any person liable for the equalizing assessment to opt out of two-thirds of the payment.

In 2011, legislation removed the tax rate tables based on production and limited the maximum rate to the rate in effect May 1, 2011, effective July 1, 2011. The rate for fresh oranges was capped at 7 cents per

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<sup>1</sup> Subsequent to this ruling, the 2002 Legislature passed CS/SB 462, that modified s. 601.155(5), F.S., and removed the exemption from the equalizing tax on products grown in the U.S., replacing it with an exemption for products that have been levied a tax equivalent to Florida’s citrus tax.

## CITRUS TAXES

box, fresh grapefruit at 36 cents per box, and 16 cents per box for other varieties. For processed citrus products, the rates were capped at 25 cents per box for oranges, 36 cents per box for grapefruit, and 25 cents per box for other varieties.

In 2012, the Legislature passed HB 1237 (Chapter 2012-182, L.O.F.), re-designating “excise tax” on citrus fruit as “assessments.” The bill also revises the maximum assessment for grapefruit, oranges, tangerines, and citrus hybrids regulated by the Department of Citrus that enter the primary channel of trade for use in processed and fresh form.

In 2020, the Legislature passed SB 1276 (Chapter 2020-151, L.O.F.), creating the “Friends of Florida Citrus Program” that allows private corporations to donate direct funds to the Florida Citrus Advertising Trust Fund.

### BASE AND RATE:

The assessment rates per box grown and placed into the primary channel of trade in this state for FY 2025-26 are:

Fresh – 5 cents for oranges, 7 cents for grapefruit, and 7 cents for other varieties.

Processed – 12 cents for oranges, 7 cents for grapefruit, and 7 cents for other varieties.

The effective equalizing assessment on imported citrus is 4 cents for oranges and 2.3 cents for grapefruits (1/3 of the rates for processed oranges and grapefruit).

### DISPOSITION:

Citrus Advertising Trust Fund

### OTHER STATES:

The nature of this assessment precludes an interstate comparison, but some other states have similar taxes used to promote specific agricultural products.

## COMMUNICATIONS SERVICES TAX

FLORIDA STATUTES: Chapter 202

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The communications services tax is imposed on retail sales of communications services which originate and terminate in Florida or originate or terminate in Florida and are billed to a Florida address. Communications services include all forms of telecommunications previously taxed by the gross receipts tax plus cable television and direct-to-home satellite service. The law specifically states that the tax also applies to communications services provided through any “other medium or method now in existence or hereafter devised.” The tax imposed by Chapter 203, F.S., on communications services is also administered under Chapter 202, F.S.

### REVENUE (in millions):

Fiscal Year	Total Collections	Annual Change %	Distributed by Sales Tax Distribution Formula	Tax on Direct-to-Home Satellite Services **	Gross Receipts Tax
2026-27*	1121.1	2.16%	714.8	29.8	376.5
2025-26*	1097.4	2.27%	698.3	29.9	369.2
2024-25	1073.0	5.59%	680.4	31.7	360.9
2023-24	1016.2	1.19%	627.5	37.4	351.3
2022-23	1004.2	4.09%	614.7	42.6	346.9
2021-22	964.8	1.32%	583.6	47.1	334.0
2020-21	952.2	-3.20%	571.6	50.8	329.7

\* Estimate

\*\* Distributed to local governments through the Local Government Half-Cent Clearing Trust Fund.

Source: CST-GRUT Estimating Conference, July 2025

### HISTORY:

Prior to 2001, nonresidential telecommunications services were subject to sales and use tax under Chapter 212, F.S., at the rate of 7 percent. Cable television and direct satellite television were subject to sales and use tax at a rate of 6 percent. Telecommunications services were also subject to gross receipts tax at the rate of 2.5 percent under Chapter 203, F.S. Chapter 2000-260, L.O.F. (SB 1338), created the Communications Services Tax Simplification Law which provided for a new statewide tax on communications services to replace the sales and use tax on telecommunications services, cable, and direct satellite television. It also provided for a different administration of the gross receipts tax on telecommunications services and extended that tax to cable and direct satellite television. The Communications Services Tax Simplification Law, which applied to bills issued by communications services providers on or after October 1, 2001, also provided for locally imposed communications services tax to be administered by the Department of Revenue. Chapter 2001-140, L.O.F. (SB 1878), established the revenue-neutral tax rates for the state-wide and local communications services taxes. Chapter 2002-48, L.O.F. (HB 1511), conformed the communications services tax exemption for religious and educational institutions to similar provisions in the sales tax statute. It also provided an exemption for the public lodging industry from the requirement that dealers separately state the communications services tax. Chapter 2003-254, L.O.F. (SB 1176), exempted homes for the aged from the tax on communications services. Chapter 2005-187, L.O.F. (SB 2070), repealed the tax on substitute communications systems and provided that the Department of Revenue would not assess this tax back to October 1, 2001, when the communications services tax was implemented. Chapter 2006-229, L.O.F.

## COMMUNICATIONS SERVICES TAX

(HB 293), redistributed communications services tax revenue from the Local Government Half-Cent Clearing Trust Fund to fiscally constrained counties. Of the tax on direct-to-home satellite services that had been transferred to the Local Government Half-Cent Clearing Trust Fund, 30 percent was redirected to fiscally constrained counties, which are defined as counties for which a mill of property tax will raise no more than \$5 million. Chapter 2010-138, L.O.F. (HB 7157), clarified that the partial exemption for residential households described in s. 202.125, F.S., does not apply to any residence that constitutes all or part of a transient public lodging establishment as defined in Chapter 509, F.S. Chapter 2010-83, L.O.F. (HB 281), allowed dealers to report credits for bad debts by netting the credit directly against communications services tax due. Chapter 2010-149, L.O.F. (SB 2024), decreased the sales tax rate to 6.65 percent and increased the gross receipts tax rate to 2.52 percent – effectively shifting 0.15 percent from the sales tax component to the gross receipts tax component – while retaining the exemption for residential households provided by s. 202.125(1), F.S., on the additional 0.15 percent gross receipts tax rate. Chapter 2011-120, L.O.F. (HB 887), required the tax to be calculated using the traditional “4-5” rounding rule, whereby the amount is rounded up if the third decimal place is greater than four, and allows the dealer to utilize rounding on the sales tax portion and gross receipts and at the item or invoice level. Chapter 2012-70, L.O.F. (HB 809), revised provisions of the law holding communications dealers liable for misallocation of taxes across local governments and allowing dealers to unbundle taxable and non-taxable items stated jointly on a customer’s bill as long as the dealer could identify the items in its books and records. Chapter 2014-38, L.O.F. (HB 5601), revised the definition of prepaid calling arrangements to include services other than telephone calls, and services which terminate upon the expiration or exhaustion of all prepaid units and do not require the purchase of additional units. Chapter 2015-221, L.O.F. (HB 33A), revised the rate applied to Direct-to-Home (DTH) Satellite Communication Services Tax to 9.07 percent, and non-satellite CST to 4.92 percent as of July 1, 2015. Furthermore, the law revised statutory distributions of CST revenue to ensure local government distributions of the tax imposed on direct-to-homes satellite service pursuant to section 212.20(6), the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to s. 218.61, F.S., the Local Government Half-cent Sales Tax Clearing Trust Fund– Emergency Distribution pursuant to s. 218.65, F.S., the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215, F.S. and the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215; F.S. were not affected by the rate change.

### BASE AND RATE:

Gross Receipts CST is derived from two different tax rates plus a portion of direct-to-home satellite collections. First, a tax rate of 2.37 percent is applied to the cable, wireless, landline and miscellaneous services tax bases. Second, an additional tax rate of 0.15 percent is applied to the same tax bases, excluding landlines in residential households. The dollars generated by both of these tax rates, plus 20.7 percent of total direct-to-home satellite collections, comprise total Gross Receipts CST collections.

The tax rate for Sales CST is currently set at 4.92 percent. Sales CST Collections are generated by applying the tax rate against the cable, wireless, landline and miscellaneous services tax bases, coupled with 44.32 percent of total direct-to-home satellite collections. As part of the calculation, the landline tax base is reduced by the residential household telephone exemption for Sales Tax CST. Because the weakening landline base impacts Gross Receipts CST to a greater degree than Sales CST, Sales CST has moderately stronger growth rates.

The tax rate for direct-to-home satellite service is currently set at 11.44 percent. The tax revenue is distributed between Gross Receipts CST, Sales CST, and local governments.

### DISPOSITION:

Except for the tax on direct-to-home satellite service, the state tax collected under this chapter is distributed by the same formula as the sales and use tax, as prescribed in s. 212.20(6), F.S. Of the tax on direct-to-home satellite, 55.9 percent is distributed by the sales tax formula (with an adjustment to s.

## COMMUNICATIONS SERVICES TAX

212.20(6)(d), F.S.) and the remainder is transferred to the Local Government Half-Cent Clearing Trust Fund and is allocated in the same proportion as the half-cent sales tax under s. 218.61, F.S., the emergency distribution under s. 218.65, F.S., and the fiscally constrained counties distribution under s. 218.67, F.S. The gross receipts tax which is administered under this law goes to the Public Education Capital Outlay and Debt Service Trust Fund.

### OTHER STATES:

Wireless Telecommunication Services are taxed by all 50 states and the District of Columbia. A state-by-state comparison of tax rates in 2025 is available from the Tax Foundation at:

<https://taxfoundation.org/data/all/state/wireless-taxes-cell-phone-tax-rates-by-state-2025/#State>

	<u>2026-27</u> (millions)
VALUE OF RATE CHANGE:	
Value of 1 percent levy on tax base:	
Cable Telecommunication Services	\$25.5
Wireless Telecommunication Services	\$21.5
Direct-to-Home Satellite Telecommunication Services	\$7.6
Landline Telephone Services	\$8.4
Other Telecommunication Services	<u>\$87.6</u>
Total Telecommunication Services	\$150.6
VALUE OF EXEMPTIONS:	
Residential telephone (not including mobile telephone) (s. 202.125, F.S.)	\$34.4
Sales to government agencies, religious or educational 501(c)(3) organizations, and homes for the aged (s. 202.125, F.S.)	\$249.4
\$100,000 cap on taxes on incoming interstate communications services for holder of direct-pay permits (s. 202.12(3), F.S.)*	\$0
Internet access (s. 202.11(1), F.S.)	\$397.7
Dealer collection allowance (s. 202.28(1), F.S.)	\$10.7

*\*The exemption is limited to holders of direct-pay permits, and for those permitholders, limited to tax in excess of \$100,000 due on sales of interstate communications services. No exemption has been claimed since FY 16-17 wherein the total amount claimed was approximately \$1,000.*

## CORPORATE INCOME AND EMERGENCY EXCISE TAX

FLORIDA STATUTES: Chapter 220; Florida Constitution Article VII, Subsection 5(b)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Certain corporations doing business in Florida must pay tax of 5.5 percent on income earned in Florida. Florida “piggybacks” the federal income tax code in its determination of taxable income. Taxable income earned by corporations operating in more than one state is taxed in Florida on an apportioned basis using a formula based 25 percent on property, 25 percent on payroll and 50 percent on sales. The first \$50,000 of net income is exempt, effective with tax years beginning January 1, 2013.

### REVENUE:

Fiscal Year	Gross Collections	Annual Change %	Refunds	Annual Change %	Net Collections
2026-27*	5,765,700,000	0.52%	325,200,000	-0.37%	5,440,500,000
2025-26*	5,736,100,000	-1.25%	326,400,000	0.48%	5,409,700,000
2024-25	5,808,887,834	-3.44%	324,834,078	-4.12%	5,484,053,756
2023-24	6,015,780,575	9.04%	338,805,065	12.03%	5,676,975,510
2022-23	5,517,203,760	46.67%	302,411,779	-64.43%	5,214,791,981
2021-22	3,761,581,968	10.78%	850,130,851	123.16%	2,911,451,117
2020-21	3,395,582,342	37.28%	380,946,475	-52.48%	3,014,635,867

\* Estimate

### HISTORY:

In response to a constitutional amendment which authorized the levy of a state corporate income tax, the 1971 Legislature adopted a 5 percent corporate income tax, which became effective on corporate incomes earned after January 1972. In 1982, a 2 percent Emergency Excise Tax was enacted to counter federal changes to the Internal Revenue Code. The 1983 Legislature significantly changed Florida's corporate income tax base by: (1) adopting a worldwide unitary approach for determining income; (2) distinguishing between business and non-business income for taxation purposes; (3) adopting a "throwback rule" for sales to the federal government and to entities where profits cannot be taxed; and (4) repealing the exemption on profits from foreign sales and foreign source dividends. In a December 1984 special session, the unitary apportionment, both domestic and worldwide, was repealed along with the taxation of foreign source dividends and the "throwback rule" and replaced with an increase in the tax rate. The corporate income tax rate was increased to 5.5 percent, and the emergency excise tax was increased to 2.2 percent.

In 1990, a general definition of "taxable income" was provided for any taxpayer whose taxable income is not otherwise defined, and the Alternative Minimum Tax Credit allowed in later years was clarified. The 1991 Legislature merged most of Ch. 214 (Administrative Procedures and Judicial Review) with Ch. 220, F.S. In 1994, the community contribution tax credit was extended from June 30, 1994, to June 30, 2005, but was restricted to projects within enterprise zones or benefiting low-income housing. The allowable annual contribution amount was reduced from a total of \$3 million annually to \$2 million annually. The 1996 Legislature adopted a 15 percent enterprise zone job credit for WAGES participants and a 5 percent job credit was adopted for non-WAGES employees whose wages exceed \$1,500 a month. In 1997, Chapter 97-50, L.O.F. (SBs 780, 520, 692), created the Rural Job Tax Credit Program and the Urban High Crime Area Job Tax Credit Program. Each program authorizes qualified corporations to take a tax credit per eligible employee of \$500, \$1,000, or \$1,500. This credit can be taken against the corporate income tax or the sales and use tax, but not both.

## CORPORATE INCOME AND EMERGENCY EXCISE TAX

The 1998 Legislature provided for eight changes in the Florida Income Tax Code in addition to the annual adoption of the Internal Revenue Code in Chapter 98-100, L.O.F. (SB 608). The new laws: (1) adjusted the formula for apportionment of federal income to exclude research and development activities through a university (Chapter 98-325, L.O.F., HB 3351); (2) created a capital investment tax credit equal to 5 percent of the capital costs generated by a project (Chapter 98-61, L.O.F., HB 3681); (3) increased the credits available for community revitalization from \$2 to \$5 million (Chapter 98-219, L.O.F., HB 3113); (4) created a credit for establishing or providing child care facilities scheduled to sunset in 2008 (Chapter 98-293, L.O.F., HB 193); (5) expanded the scope of qualifying employees for the enterprise zone jobs credit (Chapter 98-57, L.O.F., SB 1114); (6) created an exemption for limited liability companies (Chapter 98-101, L.O.F., SB 704); (7) repealed the intangible tax credit for banks (Chapter 98-132, L.O.F., SB 1450); and (8) created a credit for the rehabilitation of contaminated sites (Chapter 98-189, L.O.F., SB 244).

In 1999, in addition to the annual adoption of the Internal Revenue Code in Chapter 99-208, L.O.F. (SB 676), the Legislature: (1) provided that a citrus processing company may elect to use an apportionment formula determined solely by the sales factor; (2) eliminated an apportionment option available to insurance companies; and (3) increased the community contribution tax credit from \$5 million to \$10 million (Chapter 99-265, L.O.F., SB 290). The 2001 Legislature introduced a new tax credit for contributions made by Florida corporations to non-profit scholarship funding organizations (SFOs) capped at \$50 million per state fiscal year in Chapter 2001-225 (HB 21), as well as making administrative adjustments to the terms of the Enterprise Zone Jobs Credit and the Community Contribution Tax Credit in Chapter 2001-201 (HB 1225). The 2002 Legislature provided for piggybacking of the Internal Revenue Code by the Florida Income Tax Code, including the accelerated/bonus depreciation provisions of the Federal Job Creation and Worker Assistance Act of 2002, P.L. 107-147, in Chapter 2002-283 (SB 2028). Other changes pertained to the expansion of the SFO credit scholarship recipients to students in kindergarten and first grade (Chapter 2002-387, L.O.F., SB 20-E), the change in the apportionment factor for industries in NAICS 311411 (SIC 2037, frozen fruit juices, and vegetables) (Chapter 2002-218, L.O.F., SB 426), and the change in the manner of calculating interest on tax deficiencies (Chapter 2002-218, L.O.F., SB 426).

The 2003 Legislature adopted the 2003 Internal Revenue Code in Chapter 2003-85, L.O.F. (HB 1839), and included certain financial services facilities as qualified projects for the capital investment tax credit (Chapter 2003-270, L.O.F., HB 691). Chapter 2003-395, L.O.F. (SB 18-A), created an amnesty program for taxpayers. This law also increased the interest rate on certain tax deficiencies to prime plus 4 percent. Chapter 2003-173, L.O.F., (HB 1123) modified the Contaminated Site Rehabilitation Credit to allow a new five-year carryforward period for the transferee of any credit transferred during the original taxpayer's five year carryforward period. Chapter 2003-391, L.O.F. (SB 30-A), amended the corporate income tax credit scholarship program to provide a cap of \$88 million in annual tax credits and allow the carry forward of tax credits for three years. In special session 2003E, the Legislature subsequently reduced from \$88 million to \$50 million the maximum amount of corporate tax credits and carryforward tax credits for contributions to SFO's for Fiscal Year 2003-04 (Chapter 2003-424, SB 22-E).

The 2004 Legislature adopted the Internal Revenue Code of 2004 in Chapter 2004-262, L.O.F. (SB 1826), and reduced the SFO credits limitation from \$88 million to \$50 million for Fiscal Year 2004-05 (Chapter 2004-271, L.O.F., HB 1867). The 2005 Legislature adopted the Internal Revenue Code of 2005 in Chapter 2005-112, L.O.F. (SB 1798). In Chapter 2005-178 (SB 1300), it extended the time to file for refunds from two years to three years from the due date of the return with regard to extension. Chapter 2005-282, L.O.F. (SB 202), extended the community contribution tax program through June 30, 2015, and increased the annual cap on the total amount of tax credits granted under the program from \$10 million to \$12 million. The legislation also allowed the Office of Tourism, Trade, and Economic Development to waive the sector requirements of the Capital Investment Tax Credit Program to induce

## CORPORATE INCOME AND EMERGENCY EXCISE TAX

the location or expansion of a facility that creates or retains 1,000 jobs, provided that 100 are new jobs, pays an average wage of at least 130 percent of the average private sector wage, and makes a cumulative capital investment of at least \$100 million. Chapter 2005-287, L.O.F. (HB 1725), made a number of changes to the Enterprise Zone Job Credit and Enterprise Zone Property Tax Credit, to reflect the extension of the Enterprise Zone program from 2005-2015 in that bill.

Chapter 2006-230, L.O.F. (SB 888), authorized a corporate income tax credit for a new or expanded Florida renewable energy facility. Total credits may not exceed \$5 million for any tax year and can be claimed for a maximum period of ten years. The legislation also provided a corporate income tax credit of 75 percent of all capital costs, operation and maintenance costs, and research and development costs incurred between July 1, 2006, and June 30, 2010, up to a limit of \$3 million per fiscal year, in connection with an investment in hydrogen powered vehicles and hydrogen vehicle fuel stations in Florida. Chapter 2006-78, L.O.F. (HB 821), increased the annual community contribution tax credit by \$2 million. Chapter 2006-55, L.O.F. (SB 2728), established the Florida Capital Investment Trust, the Florida Opportunity Fund Management Corporation, and the Florida Opportunity Fund for the purpose of increasing the availability of seed capital and early stage venture capital for emerging companies in Florida. It provided for a total of \$75 million in tax credits, with tax credits exercisable only between July 1, 2011, and June 30, 2036, with an annual cap of \$20 million. No major changes were made by the 2007 Legislature other than the annual “piggybacking” legislation in Chapter 2007-35, L.O.F. (SB 1014).

The 2008 Legislature made several major changes. Chapter 2008-206, L.O.F. (HB 5065), provided for piggybacking of the Internal Revenue Code by the Florida Income Tax Code. However, the temporarily increased asset expensing and temporary additional depreciation allowances enacted by Congress in the Economic Stimulus Act of 2008 were disallowed for Florida income tax purposes. Additionally, the legislation slightly accelerated the timing of all estimated payments by requiring remittance only before the first day of the month, not on the first day. Chapter 2008-241, L.O.F. (HB 653), increased the total annual tax credits allowed for contributions made by Florida corporations to non-profit scholarship funding organizations from \$88 million to \$118 million. Chapter 2008-153, L.O.F. (HB 5003), increased from \$10.5 million to \$13 million, for Fiscal Year 2008-09 only, the allowed total credits for the portion of the Community Contribution Tax Credit program dedicated to homeownership for low-income and very-low-income households. Chapter 2008-239, L.O.F. (HB 527), added to the Contaminated Site Rehabilitation Tax Credit (brownfields) new allowances for recovering the cost of solid waste removal and the cost of constructing a health care facility. In addition to various clarifications of renewable energy tax credit provisions, Chapter 2008-227, L.O.F. (HB 7135), allowed for the transferability of the corporate tax credits for renewable energy technologies investment.

The 2009 Legislature also made several changes. Chapters 2009-18 and 2009-192, L.O.F. (SB 1112 and SB 2504), required taxpayers to “add back” to Florida income, deductions allowed for federal income tax purposes under the Economic Stimulus Act of 2008 and the American Recovery and Reinvestment Act of 2009, for increased asset expensing and additional depreciation allowances in the same manner as Chapter 2008-206, L.O.F. (HB 5065). However, the 2009 legislation allowed such taxpayers to decrease their Florida taxable income by an amount equal to one-seventh of this “add back” amount for a seven-year period. The American Recovery and Reinvestment Act of 2009 also allowed taxpayers, for federal income tax purposes, to elect to defer recognition of income for certain debt acquisitions, modifications, and forgiveness. Chapter 2009-192, L.O.F. (SB 2504), required taxpayers making such an election to “add back” to Florida income those amounts deferred for federal income tax purposes. Taxpayers are allowed to subtract such amounts from Florida income when such amounts are ultimately recognized for federal income tax purposes. Chapter 2009-50, L.O.F. (HB 485), created the Florida New Markets Development Program to provide state tax credits for investments in low-income communities. These tax credits may be used to offset corporate income or insurance premium tax liabilities. Credits available are capped at \$20 million annually and \$97.5 million for the life of the program. Chapter 2009-108, L.O.F.



## CORPORATE INCOME AND EMERGENCY EXCISE TAX

(HB 453), renamed the Corporate Income Tax Scholarship Program the Florida Tax Credit Scholarship Program and expanded the program to include insurance premium tax credits as eligible contributions to the scholarship program. Taxpayers claiming the insurance premium tax credit are not eligible for the corporate income tax credit.

Chapter 2010-24, L.O.F. (SB 2126), increased the Florida Tax Credit Scholarship Program cap from \$118 million to \$140 million for Fiscal Year 2010-11. For Fiscal Year 2011-12 and thereafter, the cap will increase by 25 percent whenever tax credits approved in the prior fiscal year are equal to or greater than 90 percent of the tax credit cap amount for that year. The law also expanded the revenue sources against which tax credits may be granted for contributions to the program to include: (1) severance taxes on oil and gas production; (2) self-accrued sales tax liabilities of direct pay permit holders; and (3) alcoholic beverage taxes. Chapter 2010-147, L.O.F. (SB 1752), created the Jobs for the Unemployed Tax Credit. The program provides \$10 million in total corporate income tax credits over Fiscal Years 2010-11 and 2011-12 to any new or existing qualified targeted industry business that hires a new employee who is unemployed. The legislation also created a five-year, \$242 million transferable tax credit incentive program for Florida's film and entertainment industry. Generally, the credits are 20 percent of qualified expenditures, with additional amounts available in certain circumstances. The law provided that credits awarded may be used to offset corporate income tax or sales and use tax liabilities.

Chapter 2011-229, L.O.F. (HB 7185), required taxpayers to "add back" to Florida income, deductions allowed for federal income tax purposes under the Small Business Jobs Act of 2010 and the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, for increased asset expensing and additional depreciation allowances in the same manner as Chapter 2009-18, L.O.F. (SB 1112), and allowed such taxpayers to decrease their Florida taxable income by an amount equal to one-seventh of this "add back" amount for a seven-year period.

Chapter 2011-76, L.O.F. (HB 143), made several changes. The law allowed qualified corporations to use a single sales factor apportionment formula to calculate their corporate income tax liability, instead of the current three factor formula that uses sales, property, and payroll. To qualify, a business must invest a total of \$250 million in qualifying capital expenditures within Florida over a two-year period beginning no earlier than July 1, 2011. The law provided an annual corporate income tax credit for qualifying research and development expenses in Florida. The credit will be equal to 10 percent of the current year's expenses that exceed the average expenses over the past four years. The amount of credits available to be awarded under the bill is \$9 million. The law increased from \$2 million to \$5 million the corporate income tax credits that are annually available to partially compensate taxpayers that voluntarily clean up drycleaning-solvent-contaminated or brownfield sites. The law allowed a certified spaceflight business to apply for a credit equal to 50 percent of the business's corporate income tax liability in a given year. A certified spaceflight business may also convert net operating losses into transferable corporate income tax credits. A business wishing to take advantage of either type of credit created by this program must demonstrate that it engaged in spaceflight projects, created 35 new jobs, and invested \$15 million dollars in the three years prior to being certified for the credits. The total amount of credits that may be approved under the legislation is \$10 million. The law repealed the corporate income emergency excise tax, but allowed taxpayers with unused credits related to the tax to take such credits against corporate income tax. The law increased funding for the film and entertainment tax credit program from \$38 million to \$42 million per year for Fiscal Years 2012-13, 2013-14, and 2014-15. The law also created three new bonus credit programs and made other changes to qualification criteria and reporting requirements.

Chapter 2011-223, L.O.F. (HB 879), allows certain qualifying businesses that do not have sufficient business tax liability to carry forward and use the capital investment tax credit in years 21-30 after the commencement of operations of the qualified project. Chapter 2011-229, L.O.F. (HB 7185), increased the corporate income tax exemption amount from \$5,000 to \$25,000 effective for tax years beginning on or

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after January 1, 2012. Previously, under the Florida Tax Credit Scholarship Program, corporate income tax credits were limited to 75 percent of the tax due. Chapter 2011-123, L.O.F. (HB 965), removed this limitation.

Chapter 2012-145, L.O.F. (HB 5701), provided that any estimated tax payment originally due on June 30, 2013, must now be made on or before June 28, 2013. The result shifted an estimated \$100 million of revenue from Fiscal Year 2013-14 to 2012-13. Chapter 2012-32, L.O.F. (HB 7087), increased the corporate income tax exemption amount from \$25,000 to \$50,000 effective for tax years beginning on or after January 1, 2013. The legislation provided an additional \$42 million for tax credits for the Entertainment Industry Financial Incentive Program for Fiscal Year 2015-16. The legislation also increased the total amount of tax credits available for the New Markets Development Program from \$97.5 million to \$163.8 million and increased the amount of credits that may be taken in a given fiscal year from \$20 million to \$33.6 million. Chapter 2012-117, L.O.F. (HB 7117), reinstated and modified the Florida Renewable Energy Production Credit for electricity produced and sold on or after January 1, 2013, through June 30, 2016. The legislation also reinstated the Renewable Energy Technologies Investment Tax Credit for 75 percent of all capital costs, operation and maintenance costs, and research and development costs in connection with an investment in the production, storage, and distribution of biodiesel and ethanol in Florida incurred between July 1, 2012, and June 30, 2016. The law limited the annual tax credits for all applicants to \$5 million for Fiscal Year 2012-13 and \$10 million for Fiscal Years 2013-14 through 2016-17.

Similar to legislation passed in 2009 and 2011, Chapter 2013-46, L.O.F. (SB 1516), required taxpayers to “add back” to Florida income, deductions allowed for federal income tax purposes under the American Taxpayer Relief Act of 2012 for increased asset expensing and additional depreciation allowances. Additionally, Chapter 2013-42, L.O.F. (SB 406) increased the lifetime cap of New Markets Development Program Credits from \$163.8 million to \$178.8 million, and the annual cap from \$33.6 million to \$36.6 million.

In addition to the annual “piggybacking” legislation, the 2014 Legislature passed three bills which impact the corporate income tax. First, Chapter 2014-38, L.O.F. (HB 5601), increased the total amount of tax credits available for the New Markets Development Program from \$178.8 million to \$216.34 million. Second, Chapter 2014-38, L.O.F. (HB 5601), delayed the repeal of the Community Contributions Tax Credit program by one year and increased the annual cap for that program from \$14.0 million to \$21.9 million. Third, Chapter 2014-184 L.O.F. (SB 850), revised the Florida Tax Credit Scholarship program by allowing eligible tax credits, once earned, to be taken against the next estimated payment and to be conveyed, transferred, or assigned between members of an affiliated group upon approval of the Department of Revenue.

Chapter 2015-221, L.O.F. (HB 33A), extended the Community Contributions Tax program with a \$21.4 million cap in FYs 2016-17 and 2017-18. Chapter 2015-221, L.O.F., also provided a one-time increased allowance for tax credits of \$21.6 million for FY 2015-16 under the Contaminated Site Rehabilitation (brownfield) program. Chapter 2015-221, L.O.F., also modified the Research and Development tax credit by narrowing the types of businesses that qualify, providing a one-week window for applications, providing for allocation of credits on a pro-rata basis and increasing the amount available to be awarded in calendar year 2016 to \$23 million.

Similar to legislation passed in 2009, 2011, 2013, and 2015, Chapter 2016-220, L.O.F. (HB 7099), required taxpayers to “add back” to Florida income, deductions allowed for federal income tax purposes under the Consolidated Appropriations Act, 2016 for increased asset expensing (bonus depreciation). However, this legislation adopted a permanent increase in the amount of capital costs that may be

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expensed under 26 U.S.C. § 179 from \$25,000 to \$500,000. The legislation also adjusted several Florida tax return due dates to reflect federal due date changes.

Chapter 2017-36, L.O.F. (HB 7109), increased the tax credits available under the Contaminated Site Rehabilitation (brownfield) program from \$5 to \$10 million per year, increased the amount available for research and development tax credits in calendar year 2018 from \$9 million to \$16.5 million, and made the Community Contribution Tax Credit permanent, with \$14 million in tax credits available each fiscal year beginning in FY 2018-19. The bill also extended the filing deadline applicable to calendar-year corporate income tax payers to 6 months after the original due date and modified the estimated corporate income tax payment deadline at the end of June when the last day of the month is a weekend day to require the payment to be made on or before the last Friday of June.

Chapter 2018-119, L.O.F. (HB 7093), required tax payers to “add back” to Florida income any deductions for increased bonus depreciation allowed for federal tax purposes under the Tax Cuts and Jobs Act of 2017 (Pub. L. 115–97). However, the bill allowed taxpayers to decrease their Florida taxable income by an amount equal to one-seventh of this “add back” amount for a period of seven years.

The bill also required the Department of Revenue to examine the effects of the Tax Cuts and Jobs Act on state corporate income tax and corporate income taxpayers, conduct public workshops, and to submit a comprehensive report discussing the potential effects of the Act on the state corporate income tax structure and revenues. Further, the bill created an automatic corporate income tax rate adjustment mechanism that will reduce the Florida corporate income tax rate for taxable years beginning on or after January 1, 2019, if net collections exceed forecasted collections by at least seven percent during Fiscal Year (FY) 2018-2019. However, the tax rate adjustment would only be effective for one year. The bill further requires the Department of Revenue to refund any excess collections received during FY 2018-2019 to eligible corporate taxpayers by March 1, 2020. Finally, the bill required the 2019 Legislature to consider the Department of Revenue’s report to determine if adjustments to the automatic tax rate mechanism were needed.

Chapter 2018-118, L.O.F. (HB 7087), provided an additional \$8.5 million for tax credits for FY 2018-2019 for voluntary brownfields clean-up. The bill further provided an additional \$5 million for community tax credits to be spread over the next two fiscal years. This credit may also be taken against sales tax.

In addition, Chapter 2018-6, L.O.F. (HB 7055), extended the period in which a corporate income taxpayer may carry forward unused tax credits under the Florida Tax Credit Scholarship Program (FTC) from five years to 10 years and eliminated the requirement to apply for carryforwards. Further, the bill allowed corporate income taxpayers to use tax credits earned from making contributions under the FTC against any of their estimated tax payments due instead of against the estimated payment due immediately following the contribution date. The bill required corporate income taxpayers to make eligible contributions to the SFO on or before the date the taxpayer is required to file a final tax return and prohibits the corporate income taxpayer from using the tax credits to reduce the amount of tax due, after requesting an extension to file a return, for purposes of determining compliance with filing and tentative tax payment requirements.

As a result of Chapter 2018-119, L.O.F. (HB 7093), the automatic corporate income tax rate adjustment mechanism reduced the Florida corporate income tax rate for taxable years beginning on or after January 1, 2019, to 4.458%. Chapter 2019-168, L.O.F. (HB 7127), extended this rate change to last through taxable years beginning on or before December 31, 2021 (subject to further downward revision if net collections exceed forecasted collections by at least seven percent during Fiscal Year 2019-2020 or 2020-2021). The rate will return to 5.5% for taxable years beginning on or after January 1, 2022. Chapter

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2019-168, L.O.F., further requires the Department of Revenue to refund any excess collections received during Fiscal Years 2019-2020 and 2020-2021 to eligible corporate taxpayers by May 1 of the following year. This distribution date also applies to refunds authorized under Chapter 2018-119, L.O.F., for FY 2018-2019, which originally had a distribution date of March 1, 2020. Pursuant to this provision, \$531 million was distributed in April 2020, related to excess collections in FY 2018-2019.

In addition to specific language related to rate adjustments and refunds, Chapter 2019-168, L.O.F., also provided for the annual adoption of the Internal Revenue Code for the Florida Income Tax Code, with one notable exception. The bill provides for a new subtraction from federal taxable income for the amount of global intangible low-taxed income (GILTI) included in that amount (net of expenses). The bill also requires any business that filed a Florida Corporate Income/Franchise Tax Return for a taxable year beginning in 2018 or 2019 to submit an informational return. The required submission includes business-specific information about credits, deductions, and base adjustments caused by the federal tax changes.

Chapter 2020-10, L.O.F. (HB 7097), made a retroactive amendment to the refund provision in s. 220.1105(4), F.S., to ensure that the calculation of refunds under that section treated the use of credit for contributions to a scholarship-funding organization as tax paid to the state. The annual adoption of the Internal Revenue Code was also adopted in Chapter 2020-184, L.O.F. (HB 7095).

Chapter 2021-242, L.O.F. (HB 7059), contained the annual adoption of the Internal Revenue Code, with four exceptions related to federal changes to the Internal Revenue Code made by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the Consolidated Appropriations Act, 2021 (CAA). These exceptions included decoupling from the temporary increase in business interest expense allowable for 2019 and 2020, decoupling from the temporary increase in the allowable deduction for business meal expenses in 2021 and 2022, decoupling from a provision that altered the depreciable life of certain qualified improvement property, and decoupling from the temporary extension through 2025 of certain film, television, and live theatrical production expensing provisions. Other changes made at the federal level were adopted through this bill, including a temporary increase in the allowable Net Operating Loss deduction for 2018, 2019, and 2020; a temporary increase in the limitation on the charitable contribution deduction for contributions in 2020 and 2021; and assorted smaller changes. In addition, the Florida Corporate Income Tax collections were impacted by the Paycheck Protection Program, established by the CARES Act, which essentially granted funds to Florida businesses through a loan forgiveness program, on which no cancellation of debt income was generated, and which was usable for otherwise deductible purposes.

Chapter 2021-31, L.O.F. (HB 7061), made several additional changes to the corporate income tax. First, it increased the credits available to be awarded under the Contaminated Site Rehabilitation (brownfield) Tax Credit program from \$10 million to \$27.5 million for the 2021-22 fiscal year. Second, it created a temporary Florida Internship Tax Credit Program available for use against corporate income tax, capped at \$2.5 million in fiscal years 2021-22 and 2022-23. Third, it created the New Worlds Reading Initiative. The program provides dollar-for-dollar tax credits to businesses that make monetary donations to the administrator of the New Worlds Reading Initiative, a book delivery program for Florida students. Chapter 2021-193, L.O.F. (HB 3), created the Strong Families Tax Credit Program. The program provides dollar-for-dollar tax credits for businesses that make monetary donations to certain eligible charitable organizations that provide services focused on child welfare and well-being. The New Words Reading Initiative and Strong Families tax credits can be taken against severance taxes on oil and gas production, self-remitted sales tax, corporate income tax, alcoholic beverage taxes, or insurance premium taxes. The credits against corporate income tax are available for tax years beginning on or after January 1, 2022.

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In addition, ongoing impact from Chapter 2019-168, L.O.F. (HB 7127), further impacted collections by adjusting the tax rate downward from 4.458% (applying to taxable years beginning January 1, 2019 through December 31, 2020) to 3.535% for taxable years beginning in 2021. The rate returned to 5.5% for taxable years beginning on or after January 1, 2022.

Chapter 2022-97, L.O.F. (HB 7071), included the annual adoption of the Internal Revenue Code. While no significant changes were made at the federal level in 2021 that affected the state, there was an amendment to the Internal Revenue Code in the Tax Cuts and Jobs Act of 2017 which was not effective until January 1, 2022. The adoption of the Internal Revenue Code in 2022 therefore picked up the federal change in the treatment of Research and Experimental expenditures, from a 100% first-year deduction (“expensing”) to a five-year (domestic) or fifteen-year (foreign) amortization. The bill created a new credit in s. 220.1915, F.S., for qualified Class II or Class III railroad expenditures, equal to 50% of the qualified expenditures and limited based on the number of miles of track owned or leased by the railroad within Florida. The bill also made conforming changes throughout chapter 220, F.S., related to the new railroad credit. The bill amended the Community Contribution Tax Credit program to increase the housing-specific credit cap from \$10.5 million to \$14.5 million, and the credit cap for all other contributions from \$3.5 million to \$4.5 million for a total increase from \$14 million to \$19 million. Finally, the bill also made minor administrative changes to the New Worlds Reading Initiative and Strong Families Tax Credit programs to retroactively allow for corporate income tax donations for tax years beginning on or after January 1, 2021; as well as increasing the allowable credits in each program: from \$5 million to \$10 million for the Strong Families Tax Credit Program beginning in 2022-23, and from \$50 million to \$60 million for the New Worlds Reading Initiative Tax Credit Program beginning in 2023-24.

Ongoing impact from Chapter 2019-168, L.O.F., which required the Department of Revenue to refund any excess collections received during Fiscal Years 2019-2020 and 2020-2021 to eligible corporate taxpayers by May 1 of the following year, led to a \$642.1 million distribution to taxpayers in April 2022, related to excess collections in FY 2020-21.

Chapter 2023-157, L.O.F. (HB 7063), included the annual adoption of the Internal Revenue Code, along with a permanent increase in the annual cap for the Contaminated Site Rehabilitation (Brownfield) Tax Credit Program from \$10 million to \$35 million beginning in fiscal year 2023-24, and the creation of two temporary credits against corporate income tax related to the installation of residential graywater systems (up to \$2 million per developer or homebuilder per year in calendar years 2024-2026) and related to the production of human breast milk derived human milk fortifiers (up to \$5 million per year in state fiscal years 2023-24 and 2024-25). Chapter 2023-17, L.O.F. (SB 102), increased the tax credits available through the Community Contribution Tax Credit Program for affordable housing from \$14.5 million to \$25 million annually, of which roughly 6% is typically taken against corporate income tax. That bill also created the Live Local Program Tax Credit, which allows up to \$100 million in tax credits to be taken against corporate income tax or insurance premium tax. Chapter 2023-173 (HB 5) repealed provisions related to certain expired tax credit programs, and chapter 2023-81 (SB 240) renamed the Florida Internship Tax Credit Program to the Florida Experiential Learning Tax Credit Program and extended that program through 2024-25.

Chapter 2024-158, L.O.F. (HB 7073), included the annual adoption of the Internal Revenue Code, along with revising the timing and application process for the existing credit for qualified railroad expenditures. That bill also recreated the Child Care Tax Credit (can be taken against corporate income tax, insurance premium taxes, severance taxes on oil and gas production, alcoholic beverage tax on beer, wine, and spirits, or self-accrued sales tax liability of direct pay permit holders) and created a credit for companies that employ individuals with unique abilities. Each of these two programs has a \$5 million cap for a total of three state fiscal years. The bill also increased the annual cap for the Strong Families Tax Credit

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program from \$20 million to \$40 million, revised criteria for entities that can receive contributions through the program, and clarified when applications for that credit become available. Finally, the bill provided for an automatic extension for filing a state income tax return for a taxpayer that has been granted an extension to file its federal income tax return due to a federally declared disaster that included locations within Florida.

Chapter 2025-208, L.O.F. (HB 7031), included the annual adoption of the Internal Revenue Code and excluded charitable trusts from the definition of a corporation. The bill also created the Home Away from Home Tax Credit and the Rural Community Investment Program. The Home Away from Home Tax Credit is a credit for contributions made to entities that provide low-cost or no-cost housing to family members of critically ill children receiving medical treatment. One hundred percent of the contributions must be used to expand or construct facilities for housing such family members. The tax credit cap is \$13 million each fiscal year, and no new applications may be approved for fiscal years after Fiscal Year 2031-32. The Rural Community Investment Program allows a credit based on the amount of a taxpayer's investment in a rural fund which must invest contributions into businesses in rural or agricultural areas. Beginning in Fiscal Year 2025-2026, the tax credit cap amount for the program is \$7 million in each state fiscal year, excluding any credits carried forward. The department may not approve a cumulative amount of tax credits that may result in the claim of more than \$35 million in tax credits during the existence of the program.

### BASE AND RATE:

The Corporate Income Tax is 5.5 percent of net income minus a \$50,000 exemption. Section 220.15, F.S., defines net income as the share of adjusted federal income which is apportioned to this state for any given year. Apportionment is weighted by factors of sales (50 percent), property (25 percent) and payroll (25 percent). All business income is apportioned. Nonbusiness income is allocated to a single jurisdiction, generally the state of commercial domicile.

### DISPOSITION:

General Revenue Fund

### OTHER STATES:

All states and the District of Columbia currently impose some form of corporate income or franchise tax, or business gross receipts tax, except for South Dakota and Wyoming. Nevada, Ohio, Texas and Washington do not have a corporate income tax, but do have business gross receipts taxes. Most levying states and the District of Columbia have flat tax rates. These rates range from 2.5 percent to 9.8 percent. Fifteen states use graduated rates, which fall between 1.0 and 9.4 percent. More comparisons can be found at <http://www.taxfoundation.org/data>.

### VALUE OF RATE CHANGE:

2026-27  
(millions)

Value of a 1 percent levy on apportioned net income

\$1,043.9

### VALUE OF EXEMPTIONS AND SUBTRACTIONS:

#### Exemptions:

Standard \$50,000 (*note 1)	s. 220.14(1)	\$110.5
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#### Subtractions from Federal Taxable Income:

Foreign Source Income (s. 78, I.R.C., Income)	s. 220.13(1)(b)2.b.	\$88.6
Foreign Source Income (s. 951, I.R.C., Subpart F Income)	s. 220.13(1)(b)2.b.	103.3

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Global Intangible Low-Taxed Income (s.951A, I.R.C., Income)	s. 220.12(1)(b)2.b.	639.9
Net Foreign Source Dividends (s. 862, I.R.C.)	s. 220.13(1)(b)2.a.	30.5
Florida Net Operating Loss Carryover	s. 220.13(1)(b)l.a.	109.1
Florida Net Capital Loss Carryover	s. 220.13(1)(b)l.b.	2.1
Florida Excess Charitable	s. 220.13(1)(b)l.c.	0.4
Florida Employee Benefit Plan Contribution Carryover	s. 220.13(1)(b)l.d.	0.0
Nonbusiness Income	s. 220.13(1)(b)4.	214.2
International Banking Facility Income	s. 220.63(5)	31.7
Bonus Depreciation (s. 168(k), I.R.C.) (*note 2)	s. 220.13(1)(e)1.	1,392.7
All Other Deductions (*note 3)	s. 220.13(1)(b)	189.2

### VALUE OF DEDUCTIONS:

Deductions from Florida Apportioned Income:		
University Research and Development	s. 220.15(2)(c)	\$0.0

### VALUE OF EXCLUSIONS:

S Corporations	s. 220.02(1)	\$1,212.9
Limited Partnerships	s. 220.02(1)	561.7
Limited Liability Companies	s. 220.02(1)	40.8

### VALUE OF CREDITS:

Credits Against Florida Tax Liability:		
Enterprise Zone Jobs	s. 220.181	\$0.0
Enterprise Zone Ad Valorem	s. 220.182	0.0
Community Contribution (\$29.5m cap)	s. 220.183	2.0
This credit may be taken against Corporate Income Tax, Insurance Premiums Tax, or Sales and Use Tax.		
Hazardous Waste Facility	s. 220.184	0.0
Rehabilitation of Contaminated Sites (\$35m cap)	s. 220.1845	35.0
State Housing (subject to appropriation; unfunded since 1999)	s. 220.185	0.0
Alternative Minimum Tax (AMT)		
This credit is not operative under current law.		
Scholarship Funding Organizations (\$1,092m cap) (*note 4)	s. 220.1875	290.0
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas.		
New Worlds Reading Initiative (\$60m cap)	s. 220.1876	13.8
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas.		
Strong Families (\$40m cap)	s. 220.1877	9.3
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas.		
Live Local (\$100m cap)	s. 220.1878	24.9
This credit may be taken against the Corporate Income Tax or Insurance Premiums Tax.		
Rural (\$5m cap) and Urban High-Crime Area Job (\$5m cap)	s. 220.1895	0.0
This credit may be taken against Corporate Income Tax or Sales		

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and Use Taxes.		
Entertainment Industry (\$42m cap through 2016)	s. 220.1899	0.0
This credit is not operative under current law. When it was, it could be taken against Corporate Income Tax, Insurance Premiums Tax, or Sales and Use Tax.		
Child Care (\$5m cap through 2026-27)	s. 220.19	0.1
Capital Investment	s. 220.191	113.8
This credit may be taken against Corporate Income Tax or Insurance Premiums Tax.		
Qualified Railroad Reconstruction or Replacement	s. 220.1915	5.5
Renewable Energy Production (\$10m cap through 2017)		
This credit is not operative under current law.	s. 220.193	0.0
Research and Development (\$9m cap)	s. 220.196	9.0
Florida Experiential Learning (\$2.5m cap through 2024-25)	s. 220.198	0.0
Residential Graywater System (\$2m cap per Taxpayer)	s. 220.199	Indeterminate
Manufacturing of Human Breast Milk Fortifiers (\$5m cap through 2024-25)	s. 220.1991	0.0
Individuals with Unique Abilities (\$5m cap through 2026-27)	s. 220.1992	5.0
New Markets (\$216.34m cap, last issued 2015)	s. 288.9916	0.0
This credit is not operative under current law. When it was, it could be taken against Corporate Income Tax or Insurance Premiums Tax.		
Florida HMO Consumer Assistance Assessment	s. 631.828	0.0
ALTERNATIVE BASES:		
Base Reduction Measures:		
Exempt Florida Nonbusiness Income	s. 220.16	\$(49.1)
Delete Florida Alternative Minimum Tax	s. 220.11(3)	(0.0)
Exempt Interest on State and Local Bonds	s. 220.13(1)(a)2	(43.4)
Base Expansion Measures:		
Delete the deduction for advertising expenditures		\$577.6
Delete the deduction for interest expenses (include financial institutions)		2,093.3
Delete the deduction for interest expenses (exclude financial institutions)		659.1
Limit net loss carryforward to one year		Indeterminate
Impose a minimum payment requirement of \$200:		
On C Corporations Only		\$52.9
On C and S Corporations		162.7
Require combined reporting of all domestic corporations (waters-edge unitary apportionment)		
		Positive Indeterminate
Adopt the throwback rule		Positive Indeterminate
Apply the tax to gross receipts rather than net profits:		
C Corporations (replace CIT)		\$81,415.6
Partnerships		20,232.1
S Corporations		25,933.0
Proprietorships		5,047.9
Total		132,628.6



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Apply the tax to Earned Surplus (gross profits plus compensation of officers):

C Corporations (replace CIT)	\$37,384.8
Partnerships	8,687.2
S Corporations	11,715.4
Proprietorships	3,640.3
Total	61,427.7

Notes:

1. The Florida Constitution states that there shall be exempt not less than \$5,000 (Article VII, Section 5(b)).
2. The deduction for bonus depreciation represents the sum of bonus depreciation deductions taken by all taxpayers in a fiscal year. This number is comprised of 1/7 of the value of property placed in service in that year and 1/7 of the property placed in service in each of the six previous years. The deduction for bonus depreciation is offset in the first year of service through an addition to taxable income pursuant to 220.13(1)(e)1.a., F.S.
3. "All other deductions" represents "Other Subtractions" taken on Schedule II of the Florida Corporate Income Tax Return. This may contain, among other things, subtractions related to partnership adjustments, certain foreign taxes, cancellation of indebtedness income that was deferred, and a subtraction for wages and salaries paid to new employees that was disallowed at the federal level.
4. The forecast for the next five years does not anticipate an additional increase in the cap.
5. Following publication of the 2022 Tax Handbook, a significant effort was made by professional staff from the Senate Committee on Finance and Tax, the House Ways & Means Committee, the Legislative Office of Economic and Demographic Research, the Governor's Office of Policy and Budget, and the Department of Revenue to review the underlying processes, methodologies, and assumptions used for Corporate Income Tax estimates in the Tax Handbook. This effort revealed several opportunities for improvements based primarily upon better sources of state and federal income tax data than had been used in previous editions of the Tax Handbook. Those improvements, including the improved data sources, were used for updates to the Corporate Income Tax section of the Tax Handbook beginning with the 2023 edition.

## C O R P O R A T I O N   F E E S

FLORIDA STATUTES: Sections 15.09, 607.0122, 607.193, 605.0213, 609.02, 617.0122, 620.1109, 620.81055, and 679.525

ADMINISTERED BY: Department of State, Division of Corporations

### SUMMARY:

All corporations doing business in Florida must file annually with the Department of State. Business entities must pay various fees for the right to do business in Florida. The major fees are the annual report filing fee, corporate filing fees, and the supplemental corporate fee. A comprehensive list of fees can be found in the Florida Statutes sections detailed above. All funds collected by the Division of Corporations are deposited in the General Revenue Fund (s.15.09(4), F.S.).

### REVENUE:

Fiscal Year	Partnership Fees	Annual Report Fees (a)	Corporate Fees	Supplemental Corporate Fees	Late / Reinstatement Fees	Misc Fees (b)	Total Fees	General Revenue Distribution (c)
2026-27*	600,000	157,700,000	113,300,000	249,000,000	76,200,000	30,100,000	626,900,000	626,900,000
2025-26*	600,000	152,400,000	109,500,000	240,600,000	73,700,000	29,100,000	605,900,000	605,900,000
2024-25	604,787	153,288,868	110,172,839	242,089,088	64,489,816	29,281,725	599,927,123	588,814,715
2023-24	618,224	149,702,920	104,233,204	233,801,907	67,060,999	27,748,464	583,165,718	572,330,485
2022-23	639,698	139,823,141	101,487,529	216,555,617	76,466,830	29,464,514	564,437,329	553,877,396
2021-22	632,267	133,423,986	87,327,403	203,766,932	72,664,366	30,230,944	528,045,898	527,819,485
2020-21**	585,340	119,115,468	94,200,392	195,081,183	80,347,737	45,105,329	534,435,448	535,893,403

\* Estimate

\*\* Pursuant to Executive Order No. 20-52 and the Department of State Emergency Order 2020-01, the May 1<sup>st</sup> due date for the 2020 annual reports was delayed to June 30<sup>th</sup>, 2020. The change in due date shifted a significant portion of revenue from Fiscal Year 2019-20 into Fiscal Year 2020-21.

(a) Annual report fees include annual reports for the arts.

(b) Miscellaneous fees include: trademarks, service of process, liens, fictitious names, federal tax liens, penalties for NSF, certificates, certified copies, and photocopies.

(c) The General Revenue distribution does not equal total fees collected due to both timing of deposits and miscellaneous fees that are included in "Other" General Revenue categories.

### HISTORY:

In 1943, the Uniform Limited Partnership Law was enacted. Fees of not less than \$10 or more than \$500 were adopted; increases were made in 1967, 1971, and 1990. Filing fees for corporations-not-for-profit were first introduced in 1959 and increased by the 1967, 1989, and 1990 Legislatures. In 1965, fees for filing financial statements under chapter 679 of the Uniform Commercial Code were established and increased in 1967, 1971, 1989, 1990, and 1992. In 1987, 1988, and 1990, a number of corporate filing fees for corporations-for-profit were increased.

The 1989 Legislature adopted the Revised Model Business Corporation Act, which went into effect July 1, 1990. In 1990, all fees processed by the Department of State and deposited into the Corporations Trust Fund were increased by 75 percent with 43 percent of all moneys deposited each month into the trust fund to be transferred to the General Revenue Fund. Also in 1990, a supplemental corporate fee of \$138.75 was imposed on each business entity authorized to do business in Florida and required to file an annual report with the Department of State. Revenues from the supplemental fee were for deposit into the General Revenue Fund. The date for filing the annual report was changed from July 1 to May 1 of each year.

## C O R P O R A T I O N   F E E S

In 1993, the annual report filing fee was increased for limited liability companies. In 1995, the supplemental corporate fee for not-for-profit corporations was reduced from \$138.75 to \$68.75, and the fee for not-for-profit corporations was repealed on January 1, 1996. On January 1, 1997, the supplemental corporate fee for corporations-for-profit was reduced from \$138.75 to \$103.75 and to \$88.75 on January 1, 1998. In addition, the supplemental corporate fee late charge was increased from \$25 to \$385 on January 1, 1997, and increased to \$400 on January 1, 1998. In 2001, the Legislature authorized the Department of State to reduce the annual filing fee by an amount equal to the convenience fee for electronic filings. Also, authorization was granted to the department to waive supplemental corporate late charges for filers who had not received the department's prescribed forms.

In 2003, the Corporations Trust Fund was eliminated with all current balances transferred to the General Revenue Fund. Chapter 2007-5, L.O.F. (HB 7003) corrected a reference in s. 607.193, F.S., to render limited liability companies subject to the supplemental filing fee.

Section 679.527, F.S., authorizes the Department of State to select and contract with a private vendor to populate and maintain the Florida Secured Transaction Registry. The collections of the nonrefundable processing fees from secured transactions under the Uniform Commercial Code cover payment to the vendor, with the remaining amount deposited in the General Revenue Fund. Section 679.525(1)(a), F.S., sets a nonrefundable \$25 processing fee for filing an initial financing statement. In 2009, SB 1780 (Chapter 2009-72, L.O.F.) was enacted to add paragraph (h) to s. 679.525(1), F.S., to authorize an additional nonrefundable \$10 processing fee for the filing of the initial financing statement. The receipts of this fee are deposited into the General Revenue Fund and are not used in the calculation of the private vendor's compensation for performing services regarding the Florida Secured Transaction Registry.

Section 607.193(2) (b), F.S., imposes a late charge of \$400 on entities failing to file the supplemental corporate filing fee by May 1 of each year, unless the entity "did not receive the uniform business report prescribed by the department." In 2010, HB 5505 (Chapter 2010-152, L.O.F.) struck the language allowing an exemption from the late fee and also required that entities seeking reinstatement after dissolution or revocation pay the applicable reinstatement fee.

Chapter 2012-71, L.O.F., (HB 827) allows Limited Agricultural Associations to convert to a not-for-profit corporation for a \$35 fee.

### BASE AND RATE:

Specific fees are charged for each type of filing required by law. The current fee schedule for each type of entity is detailed below:

#### For corporations (s. 607.0122, F.S.):

- (1) Articles of incorporation: \$35.
- (2) Application for registered name: \$87.50.
- (3) Application for renewal of registered name: \$87.50.
- (4) Corporation's statement of change of registered agent or registered office or both if not included on the annual report: \$35.
- (5) Designation of and acceptance by registered agent: \$35.
- (6) Agent's statement of resignation from a corporation that has not been dissolved: \$87.50.
- (7) Agent's statement of resignation from a dissolved corporation or a composite statement of resignation from two or more dissolved corporations pursuant to s. 607.0502(6): \$35.
- (8) Amendment of articles of incorporation: \$35.
- (9) Restatement of articles of incorporation with amendment of articles: \$35.
- (10) Articles of merger or share exchange for each party thereto: \$35.
- (11) Articles of dissolution: \$35.

## **C O R P O R A T I O N   F E E S**

- (12) Articles of revocation of dissolution: \$35.
- (13) Application for reinstatement following administrative dissolution: \$600.
- (14) Application for certificate of authority to transact business in this state by a foreign corporation: \$35.
- (15) Application for amended certificate of authority: \$35.
- (16) Application for certificate of withdrawal by a foreign corporation: \$35.
- (17) Annual report: \$61.25.
- (18) Articles of correction: \$35.
- (19) Application for certificate of status: \$8.75.
- (20) Certificate of domestication of a foreign corporation: \$50.
- (21) Certified copy of document: \$52.50.
- (22) Serving as agent for substitute service of process: \$87.50.
- (23) Supplemental corporate fee: \$88.75 (s. 607.193, F.S.).
- (24) Any other document required or permitted to be filed by this act: \$35.
- (25) Late fee for paying supplemental filing fee after May 1: \$400 (s. 607.193, F.S.).

### For limited liability corporations (s. 605.0213, F.S.):

- (1) For furnishing a certified copy, \$30.
- (2) For filing original articles of organization, articles of revocation of dissolution, or a foreign limited liability company's application for a certificate of authority to transact business, \$100.
- (3) For filing a certificate of merger of limited liability companies or other business entities, \$25 per constituent party to the merger, unless a specific fee is required for a party in other applicable law.
- (4) For filing an annual report, \$50.
- (5) For filing an application for reinstatement after an administrative or judicial dissolution or a revocation of authority to transact business, \$100.
- (6) For filing a certificate designating a registered agent or changing a registered agent, \$25.
- (7) For filing a registered agent's statement of resignation from a limited liability company that has not been dissolved, \$85.
- (8) For filing a registered agent's statement of resignation from a dissolved limited liability company or a composite statement of resignation from two or more dissolved limited liability companies pursuant to s. 605.0115(6), \$25.
- (9) For filing a certificate of conversion of a limited liability company, \$25.
- (10) For filing any other limited liability company document, \$25.
- (11) For furnishing a certificate of status, \$5.
- (12) Supplemental corporate fee: \$88.75 (s. 607.193, F.S.).
- (13) Late fee for paying supplemental filing fee after May 1: \$400 (s. 607.193, F.S.).

### For corporations not for profit (s. 617.0122, F.S.):

- (1) Articles of incorporation: \$35.
- (2) Application for registered name: \$87.50.
- (3) Application for renewal of registered name: \$87.50.
- (4) Corporation's statement of change of registered agent or registered office or both if not included on the annual report: \$35.
- (5) Designation of and acceptance by registered agent: \$35.
- (6) Agent's statement of resignation from a corporation that has not been dissolved: \$87.50.
- (7) Agent's statement of resignation from a dissolved corporation or a composite statement of resignation from two or more dissolved corporations pursuant to s. 617.0502(2)(b): \$35.
- (8) Amendment of articles of incorporation: \$35.
- (9) Restatement of articles of incorporation with amendment of articles: \$35.
- (10) Articles of merger for each party thereto: \$35.
- (11) Articles of dissolution: \$35.
- (12) Articles of revocation of dissolution: \$35.

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- (13) Application for reinstatement following administrative dissolution: \$175.
- (14) Application for certificate of authority to transact business in this state by a foreign corporation: \$35.
- (15) Application for amended certificate of authority: \$35.
- (16) Application for certificate of withdrawal by a foreign corporation: \$35.
- (17) Annual report: \$61.25.
- (18) Articles of correction: \$35.
- (19) Application for certificate of status: \$8.75.
- (20) Certified copy of document: \$52.50.
- (21) Serving as agent for substitute service of process: \$87.50.
- (22) Certificate of conversion of a limited agricultural association to a domestic corporation: \$35.
- (23) Any other document required or permitted to be filed by this chapter: \$35.

### For partnerships (s. 620.81055, F.S.):

- (1) Partnership registration statement: \$50.
- (2) Statement of partnership authority: \$25.
- (3) Statement of denial: \$25.
- (4) Statement of dissociation: \$25.
- (5) Statement of dissolution: \$25.
- (6) Statement of qualification: \$25.
- (7) Statement of foreign qualification: \$25.
- (8) Limited liability partnership annual report: \$25.
- (9) Certificate of merger for each party thereto: \$25.
- (10) Amendment to any statement or registration: \$25.
- (11) Cancellation of any statement or registration: \$25.
- (12) Certified copy of any recording or part thereof: \$52.50.
- (13) Certificate of status: \$8.75.
- (14) Certificate of conversion: \$25.
- (15) Any other document required or permitted to be filed by this act: \$25.
- (16) Supplemental corporate fee: \$88.75 (s. 607.193, F.S.).
- (17) Late fee for paying supplemental filing fee after May 1: \$400 (s. 607.193, F.S.).

### For limited liability partnerships (s. 620.1109, F.S.):

- (1) For furnishing a certified copy, \$52.50 for the first 15 pages plus \$1.00 for each additional page.
- (2) For filing an original certificate of limited partnership, \$965.
- (3) For filing an original application for registration as a foreign limited partnership, \$965.
- (4) For filing certificate of conversion, \$52.50.
- (5) For filing certificate of merger, \$52.50 for each party thereto.
- (6) For filing a reinstatement, \$500 for each calendar year or part thereof the limited partnership was administratively dissolved or foreign limited partnership was revoked in the records of the Department of State.
- (7) For filing an annual report, \$411.25.
- (8) For filing a certificate:
  - (a) Designating a registered agent, \$35;
  - (b) Changing a registered agent or registered office address, \$35;
  - (c) Resigning as a registered agent, \$87.50; or
  - (d) Of amendment or restatement of the certificate of limited partnership, \$52.50;
- (9) For filing a statement of termination, \$52.50.
- (10) For filing a notice of cancellation for foreign limited partnership, \$52.50.
- (11) For furnishing a certificate of status or authorization, \$8.75.
- (12) For filing a certificate of dissolution, \$52.50.
- (13) For filing a certificate of revocation of dissolution, \$52.50.

## CORPORATION FEES

- (14) For filing any other domestic or foreign limited partnership document, \$52.50.
- (15) Supplemental corporate fee: \$88.75 (s. 607.193, F.S.).
- (16) Late fee for paying supplemental filing fee after May 1: \$400 (s. 607.193, F.S.).

For common-law declarations of trust (s. 609.02, F.S.):

For filing a copy of the declaration of trust, \$350.

For first page of initial financing statement (s. 679.525(1)(h), F.S.):

For filing the first page of an initial financing statement, \$10 to General Revenue.

### DISPOSITION:

All corporate filing fees collected by the Department of State are deposited into the General Revenue Fund. In addition, the Florida Secured Transaction Registry must deposit the fee specified in s. 679.525(1)(h), F.S., to the General Revenue Fund.

### OTHER STATES:<sup>1</sup>

All fifty states and the District of Columbia require corporate filing, annual reports, and general fees for doing business in their respective jurisdictions.

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<sup>1</sup> Jurisdictional Information | IACA, <https://www.iaca.org/about-iaca/jurisdictional-information/>

## COUNTIES' MEDICAID SHARE

FLORIDA STATUTES: Section 409.915

ADMINISTERED BY: Agency for Health Care Administration

### SUMMARY:

Counties' Medicaid Share, previously known as Medical Hospital Fees (also known as county contributions to Medicaid) are payments made to the state as reimbursement for a portion of the cost of certain services provided to county residents through Florida's Medicaid program.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	411,600,000	-3.54%
2025-26*	426,700,000	15.72%
2024-25	368,738,413	18.83%
2023-24	310,300,236	8.08%
2022-23	287,093,780	-2.74%
2021-22	295,183,298	-2.89%
2020-21	303,959,493	0.76%

\* Estimate

### HISTORY:

Chapter 72-225, L.O.F., created s. 409.267, F.S., which required county participation in the cost of the following items provided under Medicaid: 35 percent of the cost of inpatient hospitalization in excess of 12 days and 35 percent of the cost of nursing home or intermediate care facilities in excess of \$170 per month. In 1975, a limitation of \$55 per resident per month on the required reimbursements for services provided by nursing home and intermediate care facilities was enacted. In 1991, s. 409.267, F.S., was repealed and replaced with s. 409.915, F.S. An exemption for county residents in the Medically Needy program component of Medicaid was also enacted at this time. In 1996, required reimbursements were extended to services provided to health maintenance organization members if the services would have been reimbursable in a fee-for-service setting. In 2001, the 12 day exclusion for inpatient hospital services was reduced to 10 days, and an exemption for the cost of adult lung transplant services was established. In 2012, the law was changed to allow payments to be withheld from the distribution of the half-cent sales tax to the counties, rather than having the counties pay directly.

For the period from State Fiscal Year 1994-95 through Fiscal Year 2006-07, county contributions to Medicaid collections were approximately 93 percent of total billings in any fiscal year. For Fiscal Year 2007-08 through Fiscal Year 2011-12, county contributions to Medicaid collections dropped to less than 90 percent of total billings, with only 64.7 percent of billings in Fiscal Year 2010-11 being paid in that year. The decline in collections was caused mainly by the inability of the agency and individual counties to reach agreement on whether certain Medicaid recipients were residents of the county. The decline in the amount of billings collected resulted in a large backlog of past due billings.

In 2012, the Legislature reacted to this situation by enacting Chapter 2012-33, L.O.F. (HB 5301). That law provided specific processes whereby the agency worked with the counties and the Department of Revenue (DOR) to address payment backlog, prospective billings, and an administrative review and appeal for the billing and refund process.

## COUNTIES' MEDICAID SHARE

Chapter 2013-48, L.O.F. (SB 1520), amended s. 409.915, F.S., to revise the current process for county Medicaid billings. Instead of the current practice based on certain Medicaid expenditures incurred on behalf of a county's residents, the bill provided for an annual county contribution for Medicaid. The bill established a total contribution of \$269.6 million for State Fiscal Year 2013-14 and \$277.0 million for State Fiscal Year 2014-15. For State Fiscal Years 2015-16 through 2019-20, the total annual amount of the counties' contribution is adjusted by one half of the percentage change in state Medicaid expenditures over the two most recently completed State Fiscal Years. For each State Fiscal Year after 2019-20, the total amount of the counties' annual contribution shall be the total contribution for the prior State Fiscal Year adjusted by the percentage change in the state Medicaid expenditures as determined by the Social Services Estimating Conference.

The agency is responsible for calculating the amount of each county's annual contribution and providing that information to DOR by May 15 of each year.

By June 1 of each year, DOR must notify each county of its annual contribution. Counties must pay, via check or electronic transfer, 1/12th of the total, by the 5th of each month. If a county fails to remit payment by the 5th of the month, DOR is directed to reduce the county's monthly distribution from the Local Government Half-Cent Sales Tax Trust Fund by the amount of the monthly installment. The payments and the amounts by which the distributions are reduced are transferred to the General Revenue Fund.

### BASE AND RATE:

The statute establishes a total contribution of \$269.6 million for State Fiscal Year 2013-14 and \$277.0 million for State Fiscal Year 2014-15. For State Fiscal Years 2015-16 through 2019-20, the total annual amount of the counties' contribution is adjusted by one half of the percentage change in state Medicaid expenditures over the two most recently completed State Fiscal Years. For each State Fiscal Year after 2019-20, the total amount of the counties' annual contribution shall be the total contribution for the prior State Fiscal Year adjusted by the percentage change in the state Medicaid expenditures as determined by the Social Services Estimating Conference.

### DISPOSITION:

Reimbursements are deposited into the General Revenue Fund.

### OTHER STATES:

Research by the National Association of Counties shows that at least sixteen states (including Florida) require counties to contribute to the non-federal share of Medicaid, while others are required to cover administrative and/or program costs. The research did not capture the level of these contributions.

### VALUE OF RATE OR TAX BASE CHANGE:

See BASE AND RATE above.



## DOCUMENTARY STAMP TAX

FLORIDA STATUTES: Chapter 201

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The documentary stamp tax comprises two taxes imposed on different bases at different tax rates. The tax on deeds and other documents related to real property is 70 cents per \$100. The tax on certificates of indebtedness, promissory notes, wage assignments and retail charge account agreements is 35 cents per \$100. Revenue from documentary stamps is divided between the General Revenue Fund and various trust funds. In 2014, Florida voters approved an amendment to the State Constitution that requires 33 percent of documentary stamp tax revenue, net of collection costs, to be transferred to the Land Acquisition Trust Fund and expended for specific environmental purposes, as provided by law. These provisions expire July 1, 2035.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	3,900,233,333	3.85%
2025-26*	3,755,733,333	1.48%
2024-25	3,701,128,087	3.46%
2023-24	3,577,420,944	-7.44%
2022-23	3,864,772,481	-27.88%
2021-22	5,359,020,713	31.26%
2020-21	4,082,822,038	42.02%

\* Estimate

Distributions				
Fiscal Year	General Revenue	General Revenue Service Charge	Florida Forever Outstanding Debt Service **	State Transportation Trust Fund
2026-27*	1,466,310,000	209,310,000	60,714,913	360,080,000
2025-26*	1,395,530,000	201,570,000	81,137,663	360,080,000
2024-25	1,309,608,977	0	104,600,000	466,750,000
2023-24	1,257,007,656	0	101,647,083	451,136,876
2022-23	1,357,886,731	207,185,551	99,608,750	449,237,509
2021-22	2,054,161,736	287,247,879	123,930,724	484,262,491
2020-21	1,432,489,710	219,050,743	154,996,858	466,750,000

\* Estimate

\*\* Beginning Fiscal Year 2015-16, Florida Forever debt service payments are made from the Land Acquisition Trust Fund.

## DOCUMENTARY STAMP TAX

Distributions				
Fiscal Year	State Housing Trust Fund (Live Local Program) <sup>v</sup>	Dept.of Economic Opportunity and Grants and Donations Trust Fund	DACS General Inspection Trust Fund, Oyster Management and Restoration**	Land Acquisition Trust Fund***
2026-27*	0	3,250,000	300,000	1,283,840,000
2025-26*	0	3,250,000	300,000	1,236,160,000
2024-25	150,000,000	3,250,000	300,000	1,218,140,000
2023-24	150,000,000	3,197,107	300,000	1,175,986,089
2022-23	0	3,112,659	300,000	1,270,755,698
2021-22	0	3,387,341	324,759	1,763,700,724
2020-21	0	3,250,000	300,000	1,343,806,439

Distributions					
Fiscal Year	State Housing Trust Fund	Local Government Housing Trust Fund	State Economic Enhancement and Development Trust Fund	Resilient Florida Trust Fund****	Water Protection and Sustainability Program Trust Fund****
2026-27*	69,530,000	163,070,000	75,000,000	129,870,000	129,870,000
2025-26*	66,940,000	157,000,000	75,000,000	125,050,000	125,050,000
2024-25	65,970,000	154,720,000	75,000,000	123,220,000	123,220,000
2023-24	63,685,620	149,364,254	75,000,000	118,958,303	118,958,303
2022-23	68,819,715	161,405,437	75,000,000	128,548,273	128,548,273
2021-22	95,523,425	224,034,640	75,000,000	178,428,104	178,428,104
2020-21	159,078,030	372,415,802	75,000,000	0	0

\* Estimate

\*\* Before Fiscal Year 2015-16, this distribution included additional distributions to the DACS General Inspection Trust Fund

\*\*\* Beginning Fiscal Year 2015-16, 33 percent of documentary stamp tax revenue, net of collection costs, must be transferred to the Land Acquisition Trust Fund and expended only for specific environmental purposes. Before Fiscal Year 2015-16 there were distributions to several other trust funds for various environmental purposes.

\*\*\*\* Beginning Fiscal Year 2021-22, these trust funds will each receive 5.42 percent of available funds to be used for specified purposes.

<sup>v</sup> Beginning Fiscal Year 2023-24, and running through July 1, 2033, 8 percent of available funds (up to \$150m) were to be transferred to the State Housing Trust Fund and used for affordable housing purposes consistent with provisions of the Live Local Act in Chapter 2023-17 (SB102). Chapter 2025-208, L.O.F. (HB 7031), eliminated the \$150 million distribution beginning July 1, 2025.

### HISTORY:

#### *Tax Rate:*

Florida first enacted a documentary stamp tax in 1931, at the rate of 10 cents per \$100 of consideration. In 1957, the tax on documents relating to realty (mainly deeds) was raised to 20 cents per \$100 of

## DOCUMENTARY STAMP TAX

consideration, and the tax has been assessed at two separate rates on deeds and notes ever since. Major rate increases occurred in 1957, 1963, 1979, 1981, 1985, 1987, 1990, 1991, and 1992, when the current rates—70 cents per \$100 for documents relating to realty and 35 cents per \$100 for notes of indebtedness—were set. (The tax rate on documents relating to realty is 60 cents in Miami-Dade County, which since 1983 has levied a discretionary surtax on deeds of 45 cents for each \$100 of consideration except for deeds on single family residences.)

### *Disposition of Tax Proceeds:*

Until 1967, all proceeds from documentary stamps were deposited into the General Revenue Fund. In that year, a surtax was imposed on documents relating to realty with the proceeds going to the Land Acquisition Trust Fund. The surtax was repealed in 1979 and replaced with an increase in the documentary stamp tax on deeds and the Land Acquisition Trust Fund was given a distribution from the tax. Since 1979, increases in the documentary stamp tax rate have been used to fund several programs, including the acquisition of environmentally sensitive land, state infrastructure, and affordable housing.

In 1990, the General Revenue Service Charge was extended to the Documentary Stamp Clearing Trust Fund (among other trust funds), which reduced all distributions from this fund by 7 percent. (The General Revenue Service Charge was increased to 8 percent in 2009.) Chapter 90-217, L.O.F., (HBs 1911, 1039, 1815, 3141), authorized a portion of documentary stamp tax proceeds which had been allocated to General Revenue to be used for Preservation 2000 debt services. (By 2000, nine P2000 bond series were authorized by the Legislature.) In 1992, the Legislature reduced the General Revenue distribution by 8.66 percent and redirected funds to the State Housing Trust Fund, effective July 1, 1995 (Chapter 92-317, L.O.F. (SB 94-H). Chapter 98-311, L.O.F. (HB 3427), required that a portion of documentary stamp tax receipts be deposited in the Ecosystem Management and Restoration Trust Fund for the purpose of funding erosion control; beach preservation, restoration, and re-nourishment; and storm and hurricane protection.

In 1999, the Legislature authorized a portion of documentary stamp tax proceeds which had been allocated to General Revenue to be used for Florida Forever debt services (Chapter 99-247, L.O.F. (SB 908). Additional debt service was limited to \$30 million in each fiscal year for ten years, and the total annual debt service was limited to \$300 million. This legislation also reduced the documentary stamp distribution to the Water Management Lands Trust Fund and the Conservation and Recreation Lands Trust Fund and provided for distributions to the State Game Trust Fund, the Aquatic Plant Control Trust Fund, the Department of Environmental Protection Water Quality Assurance Trust Fund, and the Department of Agriculture and Consumer Affairs (DACS) General Inspection Trust Fund. In 2000, the Legislature provided that \$2 million be paid into the Marine Resources Conservation Trust Fund annually from the documentary stamp tax General Revenue distribution (Chapter 2000-197, L.O.F. (SB 186).

Chapter 2002-261, L.O.F., (HB 813), provided for a portion of the documentary stamp tax collections to be used to pay the debt service on Everglades Restoration Bonds.

Chapter 2005-92, L.O.F., (HB 1889), capped the amounts distributed from documentary stamp tax collections to the Land Acquisition Trust Fund, Water Management Lands Trust Fund, Invasive Plant Control Trust Fund, State Game Trust Fund, State Housing Trust Fund, and Local Government Housing Trust Fund. The law included a growth factor which increased the cap for each fund based on growth in documentary stamp collections. Calculated distributions in excess of the limits specified in the bill were credited to the General Revenue Fund. Chapter 2005-290, L.O.F., (SB 360), provided \$750 million annually to fund specified transportation, school, and water projects, effective July 1, 2007. Chapter 2006-185, L.O.F., (HB 1249), repealed the 50 cents per bag surcharge on oysters harvested from the waters of the Apalachicola Bay and replaced the surcharge with a \$300,000 annual documentary stamp tax distribution to the DACS General Inspection Trust Fund to fund oyster management and restoration

## DOCUMENTARY STAMP TAX

programs in the bay and other areas of the state. Chapter 2007-60, L.O.F., (SB 1060), eliminated a \$105 million annual distribution to the PECO Trust Fund and directed that amount to the General Revenue Fund. Chapter 2007-72, L.O.F., (SB 2800), authorized the sale of \$300 million in new Florida Forever bonds and \$100 million in new Everglades Restoration bonds.

Chapter 2008-24, L.O.F., (HB 7019), repealed s. 201.022, F.S., which required a return to be filed with the clerk of the circuit court, and provided a commission to the clerks for processing these returns. Chapter 2008-49, L.O.F., (SB 1552), extended authorization for the sale of Everglades Restoration bonds through Fiscal Year 2019-20 and authorized additional bonds to be sold for four years to fund the Florida Keys Area of Critical State Concern protection program. Chapter 2008-114, L.O.F., (SB 1882), changed the distribution of documentary stamp revenues by calculating trust fund distributions as a percentage of available revenue, capped at a dollar amount, and assessing the cost of administering the tax to all funds that receive revenue from it. Chapter 2008-152, L.O.F., (HB 5001), authorized the sale of \$300 million in new Florida Forever bonds, and Chapter 2008-229, L.O.F., (SB 542), extended the statutory authority for Florida Forever bond sales through Fiscal Year 2019-20.

Chapter 2011-142, L.O.F., (SB 2156), provided that certain documentary stamp distributions to the State Transportation Trust Fund and the State Housing Trust Fund must be transferred to the newly-created State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity, beginning in the 2012-13 fiscal year. The total amount to be transferred is \$125 million in Fiscal Year 2012-13, \$140 million in Fiscal Year 2013-14, and \$150 million in subsequent years. The Local Government Housing Trust Fund was also affected by this transfer, since the amount available for distribution to it from the State Housing Trust Fund was reduced. This legislation also removed the statutory caps on distributions to the housing trust funds that were enacted in 2005.

In 2014, Florida voters approved an amendment to the State Constitution that requires 33 percent of documentary stamp tax revenue, net of collection costs, to be transferred to the Land Acquisition Trust Fund and expended for specific environmental purposes, as provided by law. The amendment took effect July 1, 2015 and applies for a period of 20 years. Ch. 2015-229, L.O.F. (SB 2516-A), implemented the amendment, and reduced distributions to General Revenue and certain transportation purposes. It also terminated certain environmental trust funds that had received statutory distributions. Going forward, the Land Acquisition Trust Fund will be the source of documentary stamp tax revenue expended for environmental purposes.

Chapter 2016-220, L.O.F. (HB 7099), required specified minimum distributions from the Land Acquisition Trust Fund (LATF) to fund Everglades projects that implement the Comprehensive Everglades Restoration Plan, including the Central Everglades Planning Project, the Long-Term Plan, and the Northern Everglades and Estuaries Protection Program. In addition, the bill required a minimum distribution from the LATF to fund springs restoration, protection, and management projects, an annual amount to be appropriated to the St. Johns Water Management District for projects dedicated to the restoration of Lake Apopka, and an annual amount to be appropriated to the Southwest Florida Water Management District for projects dedicated to the restoration of Kings Bay or Crystal River. The 2016 legislation also provided an adjustment to the calculation of each distribution for the Everglades, Springs, Lake Apopka, and Kings Bay or Crystal River if debt service is paid on bonds issued after July 1, 2016, for the purposes outlined above.

Chapter 2017-233, L.O.F. (HB 1-A), deleted a \$75 million annual transfer from the State Transportation Trust Fund to the State Economic Enhancement and Development Trust Fund and replaced it with a \$75 million transfer to the General Revenue Fund.

## DOCUMENTARY STAMP TAX

Chapter 2021-39, L.O.F. (SB 2512, 2021), made multiple changes to the distribution of Documentary Stamp Tax revenue. These changes reduced transfers to the State Transportation Trust Fund, the State Housing Trust Fund, and the Local Government Housing Trust Fund, and created new distributions of tax revenue to the Water Protection and Sustainability Program Trust Fund (2005-289, SB 332) for funding wastewater grants and to a newly-created Resilient Florida Trust Fund (2021-29, SB 2514) where the funds will be used for statewide flood and sea level rise resiliency plans. In addition, a new earmark was created within the LATF for the Lake Okeechobee Watershed Restoration Project.

Chapter 2023-17, L.O.F. (SB 102), also cited as the Live Local Act, suspends the General Revenue Service Charge for 10 years (effective July 1, 2023) and provided an additional distribution to the State Housing Trust Fund—the lesser of 8 percent of the collections remaining after the Land Acquisition Trust Fund distribution or \$150 million to the State Housing Trust Fund for projects under the State Apartment Incentive Loan (SAIL) Program (s.201.15 (4), F.S.). If 8 percent of the remainder is greater than \$150 million in any fiscal year, the difference is paid to the General Revenue Fund.

Chapter 2025-208, L.O.F. (HB 7031), made three changes to documentary stamp tax revenue distributions. The law eliminated the distribution for the New Starts Transit Program and the Florida Rail Enterprise. The law also eliminated the \$150 million distribution to the State Housing Trust Fund created in the Live Local Act (Chapter 2023-17, L.O.F) beginning July 1, 2025, rather than expiring July 1, 2033. Other housing trust fund distributions were unaffected. Finally, the law reapplied the general revenue service charge to all taxes collected, except taxes distributed to the Land Acquisition Trust Fund, beginning July 1, 2025, rather than July 1, 2033.

### *Exemptions and Limitations:*

In 1997, transactions of real property made pursuant to the dissolution of marriage were exempted from the tax. Chapter 98-187, L.O.F. (HB 4373), allowed promissory notes to be renewed at an increased level of obligation without the borrower having to pay documentary stamp tax on the full amount of the obligation, but only on the amount of the increase. Chapter 2002-218, L.O.F. (SB 426), capped the amount of documentary stamp tax due on unsecured loans at \$2,450. Chapter 2002-218, L.O.F. (SB 426), repealed the tax on original issues of stock certificates. Chapter 2007-198, L.O.F. (HB 1375), provided a documentary stamp tax and intangibles tax exemption for all notes, mortgages, security agreements, letters of credit, or any other instruments connected with financing any housing under Chapter 420, F.S. Chapter 2018-118, L.O.F. (HB 7087), exempted the transfer of homestead property between spouses if the only consideration is the amount of the mortgage or other lien encumbering the homestead property at the time of transfer. The transfer must be recorded within 1 year after the date of marriage.

Chapter 2019-42, L.O.F. (HB 7123), removed the one-year limitation on the exemption for conveyances between spouses created in 2018.

Chapter 2022-97, L.O.F. (HB 7071), exempted any federal loan that is related to a state of emergency. Such emergency must be declared by executive order or proclamation of the Governor.

Chapter 2023-157, L.O.F. (HB 7063), specified that when the principal balance of a note or mortgage is increased, additional tax is owed only on the increased amount above the current principal balance if:

- The note or mortgage is part of an interim loan for purposes of debenture guarantee funding upon which documentary stamp tax has previously been paid, and
- The Small Business Administration is the obligee or mortgagee.

Chapter 2024-158, L.O.F. (HB 7073), made two changes with respect to the documentary stamp tax.

## DOCUMENTARY STAMP TAX

1. The law specified that only the principal limit of a home equity conversion mortgage, as determined at the time of closing, is subject to tax. The maximum claim amount or the stated mortgage amount is not subject to tax.
2. The law exempted from tax all non-interest-bearing promissory notes, all non-interest-bearing nonnegotiable notes, or all non-interest-bearing written obligations to pay money, or assignments of salaries, wages, or other compensation made, executed, delivered, sold, transferred, or assigned in the state, including such renewals, of \$3,500 or less, when given by a customer to an alarm system contractor in connection with the sale of an alarm system. This exemption is repealed on June 30, 2027, unless renewed by the Legislature.

### *Clarification of Legislative Intent:*

In 2009, the Legislature enacted Chapter 2009-131, L.O.F. (SB 2430), which expressed legislative findings and intent related to a 2005 decision of the Florida Supreme Court holding that the transfer of property between a grantor and its wholly owned grantee, absent any exchange of value, is not subject to the documentary stamp tax. Specifically, the law stated that the Supreme Court's decision in *Crescent Miami Center, LLC v. Florida Department of Revenue*, 903 So. 2d 913 (Fla. 2005), was inconsistent with the intent of the Legislature because it permits tax avoidance. Rather, the prior holding of the district court of appeal in this same case prevented tax avoidance and therefore was consistent with the intent of the Legislature at the time the relevant statute – s. 201.02, F.S. – was amended in 1990. Finally, the law expressed the intent of the Legislature to impose documentary stamp tax when the beneficial ownership of real property is transferred to a new owner by the use of techniques applicable in the Supreme Court case in combination with transfers of ownership of, or distributions from, artificial entities. Additionally, the law amended s. 201.02, F.S., to provide for the application of documentary stamp tax on certain conveyances of property involving a conduit entity and to impose documentary stamp tax on the transfer for consideration of a beneficial interest in real property. This legislation also provided for priority distribution of documentary stamp tax revenue for the benefit of Florida Forever bonds, Everglades Restoration bonds, and Preservation 2000 bonds issued prior to July 1, 2009, when required to meet these bond obligations. Chapter 2010-138, L.O.F. (HB 7157), codified existing Department of Revenue policy that the unpaid indebtedness that is forgiven or released by a mortgagee holding a mortgage on the grantor's interest in the property as part of a short sale transfer is not subject to documentary stamp tax. Chapter 2012-145, L.O.F. (HB 5701), extended the priority distribution of documentary stamp tax revenue for the benefit of Florida Forever bonds, Everglades Restoration bonds, and Preservation 2000 to bonds issued before January 1, 2013. Chapter 2014-61, L.O.F. (HB 5501), extended the priority distribution to bonds issued before January 1, 2015. Chapter 2016-220, L.O.F. (HB 7099), extended the priority distribution to bonds issued before January 1, 2017.

### BASE AND RATE:

Deeds and other documents relating to realty: 70 cents per \$100 or fractional part of \$100 of the consideration. (In Miami-Dade County the rate is 60 cents.) Corporate shares, bonds, certificates of indebtedness, promissory notes, wage assignments, retail charge account agreements: 35 cents per \$100 or fractional part of \$100 of the consideration.

### DISPOSITION:

All taxes collected under this chapter are pledged to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, F.S., or any other bonds authorized to be issued on a parity basis with such bonds. All taxes collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund, are subject to the General Revenue service charge imposed in s. 215.20(1), F.S.

Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service

## DOCUMENTARY STAMP TAX

charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds.

All taxes remaining after deduction of costs shall be distributed as follows:

- (1) Amounts necessary to make payments on bonds issued pursuant to s. 215.618 or s. 215.619, F.S., or on any other bonds authorized to be issued on a parity basis with such bonds shall be deposited into the Land Acquisition Trust Fund.
- (2) If the amounts deposited pursuant to subsection (1) are less than 33 percent of all taxes collected after first deducting the costs of collection, an amount equal to 33 percent of all taxes collected after first deducting the costs of collection, minus the amounts deposited pursuant to subsection (1), shall be deposited into the Land Acquisition Trust Fund.
- (3) Amounts on deposit in the Land Acquisition Trust Fund shall be used in the following order:
  - (a) Payment of debt service or funding of debt service reserve funds, rebate obligations, or other amounts payable with respect to Florida Forever bonds issued pursuant to s. 215.618, F.S. The amount used for such purposes may not exceed \$300 million in each fiscal year.
  - (b) Payment of debt service or funding of debt service reserve funds, rebate obligations, or other amounts due with respect to Everglades restoration bonds issued pursuant to s. 215.619, F.S. Taxes distributed under paragraph (a) and this paragraph must be collectively distributed on a pro rata basis when the available moneys under this subsection are not sufficient to cover the amounts required under paragraph (a) and this paragraph.

Bonds issued pursuant to s. 215.618 or s. 215.619, F.S., are equally and ratably secured by moneys distributed to the Land Acquisition Trust Fund.

- (4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), and deduction of the service charge, the remainder shall be distributed as follows:
  - (a) The lesser of 20.5453 percent of the remainder or \$360.08 million in each fiscal year shall be paid into the State Treasury to the credit of the State Transportation Trust Fund. The amount credited to the State Transportation Trust Fund shall be used for:
    1. 13 percent to the Small County Outreach Program specified in s. 339.2818, F.S.;
    2. 78 percent of the funds to the Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, F.S.;
    3. The Transportation Regional Incentive Program specified in s. 339.2819, F.S., in the amount of 9 percent.
  - (b) The lesser of 0.1456 percent of the remainder or \$3.25 million in each fiscal year shall be paid into the State Treasury to the credit of the Grants and Donations Trust Fund in the Department of Economic Opportunity to fund technical assistance to local governments.

Moneys distributed pursuant to paragraphs (a) and (b) may not be pledged for debt service unless such pledge is approved by referendum of the voters.

- (c) An amount equaling 4.5 percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. The funds shall be used as follows:
  1. Half of that amount shall be used for the purposes for which the State Housing Trust Fund was created and exists by law.
  2. Half of that amount shall be paid into the State Treasury to the credit of the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law.
- (d) An amount equaling 5.20254 percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds:

## DOCUMENTARY STAMP TAX

1. Twelve and one-half percent of that amount shall be deposited into the State Housing Trust Fund and expended by the Department of Economic Opportunity and the Florida Housing Finance Corporation for the purposes for which the State Housing Trust Fund was created and exists by law.
2. Eighty-seven and one-half percent of that amount shall be distributed to the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law. Funds from this category may also be used to provide for state and local services to assist the homeless.
- (e) The lesser of 0.017 percent of the remainder or \$300,000 in each fiscal year shall be paid into the State Treasury to the credit of the General Inspection Trust Fund to be used to fund oyster management and restoration programs as provided in s. 379.362(3), F.S.
- (f) A total of \$75 million shall be paid into the State Treasury to the credit of the State Economic Enhancement and Development Trust Fund.
- (g) An amount equaling 5.4175 percent of the remainder shall be paid into the Resilient Florida Trust Fund to be used for the purposes for which the Resilient Florida Trust Fund was created and exists by law. Funds may be used for planning and project grants.
- (h) An amount equaling 5.4175 percent of the remainder shall be paid into the Water Protection and Sustainability Program Trust Fund to be used to fund wastewater grants as specified in s. 403.0673.
- (5) Notwithstanding s. 215.32(2)(b)4.a., funds distributed to the State Housing Trust Fund and the Local Government Housing Trust Fund pursuant to paragraph (4)(c) and (d) may not be transferred to the General Revenue Fund in the General Appropriations Act.
- (6) After the distributions provided in the preceding subsections, any remaining taxes shall be paid into the State Treasury to the credit of the General Revenue Fund.

### OTHER STATES:

Thirty-five states and the District of Columbia and New York City levy taxes on the recording of certain documents or on property transfers (California authorizes local transfer taxes but does not levy a statewide tax). Alaska, Idaho, Indiana, Louisiana, Kansas, Missouri, Montana, New Mexico, North Dakota, Oregon, Texas, Utah, and Wyoming do not levy document or transfer taxes (however in Oregon, only one county has a real estate transfer tax). South Carolina and Wisconsin impose fees instead of taxes. Although some states levy document recording taxes only on documents relating to real estate transfers, others, including Florida, have a more general tax that is also levied on documents relating to indebtedness.

2026-27  
(millions)

### VALUE OF RATE CHANGE:

Value of 1-cent levy for each \$100 of consideration on deeds	\$40.1
Value of 1-cent levy for each \$100 of consideration on corporate shares, bonds, certificates of indebtedness, promissory notes, wage assignments, and retail charge account agreements	\$32.5

### VALUE OF EXEMPTIONS AND DIFFERENTIALS:

Stock transfers (s. 201.05 (2001))	\$15.85
Renewal notes (s. 201.09)	\$57.66
Certificates of deposit (s. 201.10)	Indeterminate
Wholesale warehouse mortgage agreements (s. 201.21)	\$60.92
Uniform Commercial Code documents (s. 201.22)	Indeterminate
Security dealers - 30 days or less (s. 517.32)	\$55.48
Foreign notes (s. 201.23(1))	\$4.04
Obligations of political subdivisions (s. 201.24)	\$4.51
International banking transactions (s. 201.23(4))	\$20.51
Out-of-state notes held by Florida businesses (s. 201.08)	\$3.42



## DOCUMENTARY STAMP TAX

Supplements on utility bond financing (s. 201.08(4))	Indeterminate
10-cent rate differential for Miami-Dade County (s. 201.031)	\$44.8
Dissolution of marriage (s. 201.02(7))	\$8.02
Cross collateralization of loans (s. 201.08(7))	\$2.12
Tax only on increased amount of renewed loans (s. 201.09(1))	\$0.15
Spousal transfer of homestead property (s. 201.02(7))	\$2.17
Spousal transfer no filing deadline (s. 201.02(7))	\$0.29
Exempt federal loans related to state of emergency (s. 201.25(2))	Indeterminate
Small Business Administration "504" Loans (s. 201.08(3)(b))	Insignificant
Home Equity Conversion Mortgage - Tax Only the Principal Limit	\$4.90
Alarm System Contractors - Exemption for Certain Notes (Repealed June 30, 2027)	\$1.89
VALUE OF REFUNDS AND ALLOWANCES:	
Agents commission (0.5 percent) (s. 201.11(2))	\$17.65

## DRIVER LICENSES

FLORIDA STATUTES: Chapter 322

ADMINISTERED BY: Department of Highway Safety and Motor Vehicles

### SUMMARY:

Driver licenses fees are collected from individuals who apply for the following types of licenses (originals, renewals, and replacements): Learners, Class E operators, Class E with motorcycle endorsement, Class E motorcycle only license, and Class A, B, and C commercial driver licenses with or without endorsements. In addition, fees are collected for delinquent renewals, reinstatements following suspensions, revocations, disqualifications, and cancellations.

### REVENUE:

Fiscal Year	Collections	Annual Change %	General Revenue	Highway Safety Operating Trust Fund
2026-27*	477,700,000	0.29%	243,300,000	234,400,000
2025-26*	476,300,000	6.98%	243,900,000	232,400,000
2024-25	445,227,804	13.11%	216,128,255	229,099,549
2023-24	393,612,716	2.87%	180,841,259	212,771,457
2022-23	382,623,146	-0.38%	190,342,386	192,280,760
2021-22	384,074,521	3.66%	214,608,219	169,466,302
2020-21	370,514,188	7.31%	218,633,753	151,880,435

\* Estimate

### HISTORY:

Driver licenses for operators and chauffeurs were established in 1939. Proceeds were earmarked for expenses of the Department of Public Safety. In 1951, earmarking ceased and collections were placed in the General Revenue Fund. In 1955, a 50 cent per year driver's education fee was added to the issuance of driver licenses and earmarked for public school driver education. Driver's license fee increases were adopted in 1941, 1945, 1955, 1971, 1984, 1989, 1991, 2008, and 2009. In 1983, a \$4 fee was authorized in order to operate a motorcycle or motor-driven vehicle. The 1989 Legislature provided for re-classification of driver licenses and increased most chauffeur license fees to \$50, effective April 1, 1991.

In 1986, reinstatement fees following a suspension or revocation of a license were increased, and such increase earmarked for deposit into the Accidents Report Trust Fund. Effective October 1, 1989, in order for a minor to receive a driver license, the minor must be enrolled in an approved educational program or have received a high school diploma, a high school equivalency or special diploma, or a certificate of high school completion. Beginning January 1, 1990, no new driver licenses may be issued until the applicant successfully completes the traffic law and substance abuse education course, as created by the 1989 Legislature. A \$3 assessment fee was charged to participate in the course and deposited into the Drivers' Education Trust Fund. In 1990, the duplicate driver's license fee was raised from \$5 to \$10 and the replacement driver's license fee was raised from \$1 to \$10. The increased revenue was earmarked for deposit into the Accidents Report Trust Fund. On July 1, 1994, the Accidents Report Trust Fund and the Drivers' Education Trust Fund were re-designated as the Highway Safety Operating Trust Fund. During Special Session A of 2003, the Legislature increased reinstatement fees charged for a suspension or revocation by \$10. In addition, identification card renewals were raised from \$3 to \$10 and a new re-exam fee was created. Drivers failing the written exam are charged \$5 for each time they must retake the exam and \$10 for each time they retake the driving exam. The 2006 Legislature imposed additional reinstatement fees for specific types of suspended or revoked licenses. Persons convicted of patient

## DRIVER LICENSES

brokering (s. 817.505, F.S.), solicitation (s. 817.234(8), F.S.), or participating in a staged crash (s. 817.234(9), F.S.) are subject to an additional fee of \$180 for each offense. These funds are earmarked for the Highway Safety Operating Trust Fund.

In 2008, Chapter 2008-176, L.O.F. (SB 1992), became effective October 1, 2008 and the term of the driver license and identification card was changed from four or six (safe driver) years to eight years. However, applicants who are at least 80 years old will be issued a license valid for a six-year term. These changes resulted in the fees for driver licenses, identification cards, and license endorsements being raised to reflect the new terms. Duplicate and replacement licenses were combined and are all now labeled “replacements.” This change caused the distribution of the funds to be modified; however, the General Revenue Fund and the Highway Safety Operating Trust Fund were both held harmless in this change.

As a result of the 2009 Regular Legislative Session, Chapter 2009-71, L.O.F. (SB 1778), raised the following fees effective September 1, 2009.

Fee Type	Previous Fee	New Fee	New Distribution
Original Class E License	\$27	\$48	General Revenue
Renewal Class E License	\$20	\$48	General Revenue
Motorcycle Only License (Class E + \$7 Endorsement)	\$34	\$55	General Revenue
Replacement License (Increased revenue distributed to General Revenue)	\$10	\$25	\$18 to General Revenue \$7 to Highway Safety Operating TF
Commercial Driver License (Original / Renewal)	\$67	\$75	General Revenue
School Bus CDL	\$27	\$48	General Revenue
Delinquent Fee	\$1	\$15	General Revenue
Knowledge Re-Exam	\$5	\$10	\$10 to Highway Safety Operating TF or \$10 to Tax Collector
Skills Re-Exam	\$10	\$20	\$20 to Highway Safety Operating TF or \$20 to Tax Collector.
Identification Card - Original	\$10	\$25	General Revenue
Identification Card - Renewal / Replacement	\$10	\$25	\$19 to General Revenue \$6 to Highway Safety Operating TF or \$6 to Tax Collector
D6 Reinstatement Fee (Increased revenue distributed to Highway Safety Operating Trust Fund)	\$47.50	\$60	\$22.50 to Highway Safety Operating TF \$37.50 to Clerk of Court, Tax Collector, or General Revenue
Suspension Reinstatement Fee (Increased revenue distributed to Highway Safety Operating Trust Fund)	\$35	\$45	\$15 to General Revenue \$30 to Highway Safety Operating TF or \$15 to Tax Collector/\$15 to Highway Safety Operating TF
Revocation Reinstatement Fee (Increased revenue distributed to Highway Safety Operating Trust Fund)	\$60	\$75	\$35 to General Revenue \$40 to Highway Safety Operating TF or \$20 to Tax Collector/\$20 to Highway Safety Operating TF
Disqualification Reinstatement Fee (Increased revenue distributed to Highway Safety Operating Trust Fund)	\$60	\$75	\$35 to General Revenue \$40 to Highway Safety Operating TF
Tax Collector Service Fee	\$5.25	\$6.25	\$6.25 to Tax Collector
Administrative Review Filing Fee	\$0	\$25	\$25 to Highway Safety Operating TF
Administrative Hearing Filing Fee	\$0	\$12	\$12 to Highway Safety Operating TF
DUI Administrative Fee	\$115	\$130	\$130 to Highway Safety Operating TF

## DRIVER LICENSES

Ignition Interlock Device Assessment Fee	\$0	\$12	\$12 to Highway Safety Operating TF
3-Year Transcript	\$2.10	\$8	\$8 to Highway Safety Operating TF
7-Year Transcript	\$3.10	\$10	\$10 to Highway Safety Operating TF
Certified Transcript	\$3.10	\$10	\$10 to Highway Safety Operating TF

In 2011, Chapter 2011-66, L.O.F, (S.B. 2160), changed the fee split for replacement licenses. Beginning July 1, 2015, or upon completion of the transition to driver license issuance services, if the replacement driver license is issued by the tax collector, the tax collector shall retain the \$7 that would otherwise be deposited into the Highway Safety Operating Trust Fund and the remaining revenues shall be deposited into the General Revenue Fund.

In 2018, Chapter 2018-129, L.O.F, (S.B. 322), changed the collection of the fee for subsequent knowledge and skills tests. Beginning July 1, 2018, an applicant who fails to pass the initial knowledge test incurs a \$10 fee for each subsequent test, to be deposited into the Highway Safety Operating Trust Fund, unless a subsequent test is administered by the tax collector. In this case, the tax collector shall retain the \$10 fee, less the general revenue service charge set forth in s. 215.20(1). Further, an applicant who fails to pass the initial skills test incurs a \$20 fee for each subsequent test, to be deposited into the Highway Safety Operating Trust Fund, unless a subsequent test is administered by the tax collector. In that case, the tax collector shall retain such \$20 fee, less the general revenue service charge set forth in s. 215.20(1).

In 2018, Chapter 2018-129, L.O.F, (S.B. 322), changed the procedure for handling and collecting the \$45 reinstatement fee following a suspension and the \$75 reinstatement fee following a revocation. Of the \$45 fee received from a licensee for reinstatement following a suspension, the department shall deposit \$15 in the General Revenue Fund and \$30 in the Highway Safety Operating Trust Fund if it processes the reinstatement. If the reinstatement is processed by the tax collector, \$15, less the general revenue service charge shall be retained by the tax collector, \$15 shall be deposited into the Highway Safety Operating Trust Fund, and \$15 shall be deposited into the General Revenue Fund. Of the \$75 fee received from a licensee for reinstatement following a revocation or disqualification, if the reinstatement is processed by the department, the department shall deposit \$35 in the General Revenue Fund and \$40 in the Highway Safety Operating Fund. If the reinstatement is processed by the tax collector, \$20, less the general revenue service charge, shall be retained by the tax collector, \$20 shall be deposited into the Highway Safety Operating Trust Fund, and \$35 shall be deposited into the General Revenue Fund. In 2025, Ch. 2025-125 L.O.F. set a deadline for transferring driver license services to county tax collectors of no later than June 30, 2027.

### OTHER STATES:

All states license vehicle operators. Most states issue four-year licenses at costs ranging from \$4.50 to \$60. It is common to require somewhat higher fees for a commercial license than for an operator license.

### VALUE OF RATE CHANGE:

2026-27  
(millions)

Value of \$1 levy on all driver licenses issued or renewed

\$ 4.1

## DRY CLEANING TAX

FLORIDA STATUTES: Sections 206.9935, 376.303, 376.70, and 376.75

ADMINISTERED BY: Department of Environmental Protection and Department of Revenue

### SUMMARY:

The dry-cleaning tax is levied in the amount of 2 percent on gross receipts of all dry-cleaning facilities from the dry-cleaning or laundering of clothing or other fabrics at the facility. The dry-cleaning facility may separately state the tax on retail receipts. An additional tax is imposed of \$5.059 per gallon of perchloroethylene that is sold or imported by a dry-cleaning facility.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Gross Receipts Tax Collections	Perchloroethylene Tax Collections	Registration Fee Collections
2026-27*	6,866,926	0.51%	6,763,659	47,372	55,895
2025-26*	6,832,083	0.46%	6,729,340	47,131	55,612
2024-25	6,800,799	-3.98%	6,698,526	46,916	55,357
2023-24	6,959,912	1.52%	6,822,406	55,656	81,850
2022-23	6,855,531	9.97%	6,710,252	61,830	83,450
2021-22	6,234,059	36.83%	6,085,405	65,130	83,525
2020-21	4,555,930	-25.78%	4,392,073	64,407	99,450

\* Estimate

### HISTORY:

Taxation of gross receipts from dry-cleaning and laundry services and the production and importation of perchloroethylene was enacted in 1994, with proceeds used to fund dry-cleaning facility restoration. Chapter 88-393, Laws of Florida, created a 25 cents per gallon tax on solvents, including Perchloroethylene. Chapter 89-171, Laws of Florida, amended that to be 5.9 cents per gallon on solvent. The 1995 Legislature adopted the following changes to the dry-cleaning tax: exempted uniform rental and linen supply services from the gross receipts tax, retroactive to October 1, 1994; exempted perchloroethylene not used by a dry-cleaning facility from the \$5 per gallon tax; repealed the gross receipts tax sale-for-resale exemption; and increased the gross receipts tax from 1.5 percent to 2 percent effective January 1, 1996. The 1996 Legislature changed the disposition of funds from the Hazardous Waste Management Trust Fund to the Water Quality Assurance Trust Fund. In 1998, the Legislature clarified that the gross receipts tax applies to drop-off facilities, as well as dry-cleaning facilities. The Legislature also authorized a sale-for-resale exemption for services provided where gross receipts are collected for those same services.

### BASE AND RATE:

Dry-cleaning Facilities and Wholesale Suppliers Registration Fee:

\$100 annually

Tax on the Gross Receipts of Dry-cleaning Facilities:

2 percent of the gross receipts from the dry-cleaning or laundering of clothing or other fabrics

Tax on the Sale or Importation of Perchloroethylene:

Perchloroethylene sold to or imported into Florida by a dry-cleaning business is taxed at 5.9¢ per gallon for water quality tax as a solvent pursuant to s. 206.9935, F.S., and \$5.00 per gallon for water quality tax as a dry-cleaning solvent pursuant to s. 376.75, F.S.

## **DRY CLEANING TAX**

### **DISPOSITION:**

Total collections, less administrative costs and General Revenue Service Charge, are deposited in the Water Quality Assurance Trust Fund.

### **OTHER STATES:**

Dry-cleaning services are taxed under the general sales or gross receipts tax systems in 21 states, at rates ranging from 0.4 percent to 7 percent, plus local sales or gross receipts tax rates. Connecticut, Illinois, Kansas, Minnesota, North Carolina, South Carolina, Oregon, Tennessee, and Wisconsin also levy environmental taxes on dry-cleaning services or materials.

## EARNINGS ON INVESTMENTS

FLORIDA STATUTES: Sections 17.57 and 17.61

ADMINISTERED BY: Chief Financial Officer

### SUMMARY:

Cash balances not needed for day-to-day transactions are invested.

### REVENUE:

<b>Fiscal Year</b>	<b>Collections</b>	<b>Annual Change %</b>	<b>General Revenue</b>	<b>Trust Funds</b>
2026-27*	1,947,305,156	-12.0%	1,256,300,000	691,005,156
2025-26*	2,212,825,632	-7.2%	1,427,600,000	785,225,632
2024-25	2,383,503,416	50.7%	1,537,712,429	845,790,987
2023-24	1,581,372,348	142.0%	1,093,866,150	487,506,197
2022-23	653,456,072	85.3%	493,843,861	159,612,211
2021-22	352,724,215	-35.9%	181,842,405	170,881,811
2020-21	550,162,219	-32.5%	342,881,355	207,280,863

\*Estimate

### HISTORY:

Within the Department of Financial Services, the Division of Treasury manages a fixed-income investment portfolio for the state that includes General Revenue and trust fund balances. The Treasury Investment Portfolio is made up of internally and externally managed securities. Approximately 50 percent of the portfolio is invested in securities with maturities of three years or less. These short-term fixed-income investments are internally managed by the Treasury. The remainder is composed of intermediate-term fixed-income investments with maturities ranging from five to fifteen years. This portion of the portfolio is externally managed. The portfolio is managed with liquidity and capital preservation as primary goals in order to ensure funds are available to spend when needed. Agencies may request that trust fund balances be invested with earnings accruing to the trust fund. Otherwise, earnings accrue to the General Revenue Fund. Section 17.61, F.S., provides that earnings on specific trust funds accrue to the General Revenue Fund.

### BASE AND RATE:

Not applicable.

### DISPOSITION:

Earnings on certain trust fund balances accrue to the trust funds. Otherwise, earnings accrue to the General Revenue Fund.

OTHER STATES: All states have policies in place to invest cash balances.

## ESTATE TAX

FLORIDA STATUTES: Chapter 198

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The estate tax still exists in law and is imposed on an estate for the privilege of transferring property at death. It is limited to the amount allowable as a credit against federal estate tax for state death taxes paid, and does not increase the total amount of tax paid by the estate. A federal change effectively eliminated Florida's estate tax after December 31, 2004. Previously, federal law allowed a credit for state death taxes on the federal estate tax return. The federal government then changed the credit to a deduction for state estate taxes. Since Florida's estate tax was based solely on the federal credit, estate tax was no longer due on estates of decedents that died on or after January 1, 2005. However, the personal representative of an estate may still need to complete certain forms to remove the automatic Florida estate tax lien.

If the federal estate tax is changed to incorporate a credit for state taxes at some future point, the following amounts would be collected:

Fiscal Year	(in millions)
2025-26	\$3,029.23
2026-27	\$3,165.76
2027-28	\$3,200.90
2028-29	\$3,285.13
2029-30	\$3,392.70
2030-31	\$3,502.70
2031-32	\$3,614.46
2032-33	\$3,735.31
2033-34	\$3,867.13
2034-35	\$4,003.39

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2024-25	0	0.00%
2023-24	0	0.00%
2022-23	0	-100.00%
2021-22	3,924	100.00%
2020-21	0	0.00%
2019-20	0	-100.00%
2018-19	2,771	-99.86%



## ESTATE TAX

### HISTORY:

Prior to 1924, there were no restrictions on the imposition of a Florida estate or inheritance tax. In 1924, the Florida electorate adopted an amendment to the constitution to prohibit the imposition of inheritance and income taxation. In 1930, the electorate adopted a constitutional amendment allowing the imposition of estate or inheritance taxes on residents to the extent such tax was allowed to be credited against a similar tax imposed by the federal government. In 1984, the date for filing and paying the Florida estate tax was changed to coincide with the date for filing and paying the federal estate tax. In 1991, the Legislature imposed a late penalty of 5 percent of any unpaid tax for the first 30 days and 10 percent of any unpaid tax due for more than 30 days. In 1992, this late penalty was increased to 10 percent for the first 30 days and 20 percent for more than 30 days. The federal Economic Growth and Tax Relief Reconciliation Act of 2001 phased out the federal estate tax and repealed the state credit against the federal tax by 2005. This law, which was to expire on January 1, 2011, was modified in December 2010 and extended for two years. Under the revised law, the federal estate tax was set at 35 percent with a \$5 million exemption, with the exemption increasing with inflation. There is, however, no credit for state taxes. As a result, 30 states resumed collecting estate taxes. On January 1, 2013, the American Taxpayer Relief Act of 2012 was passed which permanently established an exemption of \$5 million (with an annual inflation adjustment) per person, with a maximum tax rate of 40% for the year 2013 and beyond. The Tax Cuts and Jobs Act (H.R. 1), which became law on December 22, 2017, doubled the estate tax exclusion amount from \$5.6 million (the then-current inflation adjusted amount) to \$11.2 million for 2018. In 2025, the exclusion amount increased to \$13.99 million. Federal legislation, enacted July 4, 2025, made these increased exemption levels permanent and raised the exemption to \$15 million per individual starting in 2026, indexed for inflation. Twelve states and the District of Columbia still have an estate tax. For the ones that conform to the federal estate tax, doubling the threshold could mean less revenue.

### BASE AND RATE:

An estate tax is imposed on the estate for the privilege of transferring property at death. The tax on estates of resident decedents is equal to the amount allowable as a credit against federal estate tax for state death taxes paid, less any amount paid to other states. Thus, the Florida estate tax on resident decedents will not increase the total tax liability of the estate. The tax on estates of nonresident decedents is equal to the amount allowable as a credit against federal estate tax for state death taxes paid multiplied by the ratio of the value of the property taxable in Florida over the value of the entire gross estate.

### DISPOSITION:

General Revenue Fund

### OTHER STATES:

Before the enactment of the federal Economic Growth and Tax Relief Reconciliation Act of 2001, which phases out the federal estate tax and repeals the state credit against the federal tax, all 50 states plus the District of Columbia imposed an estate tax at least to the extent of the credit allowed against the federal estate tax, and some imposed additional estate and inheritance taxes. Since the enactment of the federal law, however, many states have amended their estate tax laws. As of 2025, Connecticut, Hawaii, Illinois, Maine, Maryland, Massachusetts, Minnesota, New York, Oregon, Rhode Island, Vermont, Washington, and the District of Columbia all levy estate taxes.

## ESTATE TAX

### Recent Changes to State Estate Taxes:

- Connecticut matches the federal exemption amount at \$13.99 million for 2025.
- Massachusetts increased its estate tax exemption from \$1 million to \$2 million effective January 1, 2023, through legislation signed October 4, 2023. A second amendment on September 16, 2024, changed the treatment of real and tangible personal property located outside of Massachusetts.
- New York's estate tax exemption increased to \$7.16 million for 2025.
- Maryland passed legislation in 2014 that increased its estate tax exemption amount over time. In 2019 it became linked with the federal exemption amount.
- Hawaii restored its state estate tax effective May 1, 2010, with an exemption set at \$5.49 million.
- Washington passed legislation in June 2013 that: (1) increased the top rate by 1 percentage point; (2) indexed the value of the exempt amount to the Seattle MSA CPI; (3) allowed a deduction of up to \$2.5 million for qualified family-owned business interests; and (4) required a marital QTIP trust to be subject to the estate tax upon the second spouse's death.

### States That Have Repealed Estate Tax:

- Arkansas: Simultaneous with the phase-out of the state credit
- Delaware: Beginning of 2018
- Georgia: April 28, 2014 (had been inactive since the phase-out of the credit)
- Indiana: January 1, 2022
- Kansas: January 1, 2010
- New Jersey: January 2018
- North Carolina: July 2013 (retroactive to January 1, 2013)
- Ohio: January 1, 2013
- Oklahoma: January 1, 2010
- Tennessee: January 1, 2016
- Virginia: July 1, 2007
- Wisconsin: January 1, 2008

### States With Inheritance Tax:

As of 2025, Kentucky, Maryland, Nebraska, New Jersey, and Pennsylvania levy inheritance taxes. Maryland is the only state that levies both an estate tax and an inheritance tax. Nebraska's inheritance tax is levied at the county level.

Iowa fully phased out its inheritance tax as of January 1, 2025, after gradually reducing rates from 2021 through 2024.

## GROSS RECEIPTS TAX

FLORIDA STATUTES: Chapter 203; Constitution Article XII Section 9(a)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The gross receipts tax is imposed at the rate of 2.5 percent on the gross receipts of sellers of utility services (electricity, and natural or manufactured gas). In addition, a rate of 2.6 percent is levied on sales of electricity to non-residential customers not otherwise exempt. Finally, a rate of 2.52 percent is levied on the gross receipts of sellers of communications services (CST). This is comprised of a tax rate of 2.37 percent on the cable, wireless, landline and miscellaneous services tax bases, and an additional tax rate of 0.15 percent that is applied to the same tax bases, excluding landlines in residential households. The dollars generated by both of these tax rates, plus 20.7 percent of total direct-to-home satellite collections, comprise total gross receipts CST collections.

### REVENUE:

Fiscal Year:	Collections:	Annual Change %:
2026-27*	\$ 1,402,930,000	-0.73%
2025-26*	\$ 1,414,480,000	-0.82%
2024-25	\$ 1,379,400,000	2.54%
2023-24	\$ 1,404,425,510	-1.78%
2022-23	\$ 1,374,993,538	2.14%
2021-22	\$ 1,206,443,354	13.97%
2020-21	\$ 1,109,420,048	8.75%

\* Estimate

### HISTORY:

A tax on gross receipts of public utility firms was enacted in 1931. The rate was set at \$1.50 per \$100 of receipts and remained unchanged until 1990. In 1963, collections were earmarked by constitutional amendment for funding capital outlay needs of the universities and junior colleges and for bonds. A 1974 amendment to the state constitution opened up use of these funds to include public schools and authorized the issuance of general obligation bonds in lieu of the former authorization for revenue bonds only. In 1990, the 1.5 percent tax rate was increased to 2.0 percent, again to 2.25 percent on July 1, 1991, and to 2.5 percent on July 1, 1992. In addition, the tax base was expanded to include electricity produced by most cogeneration or small power producers that is in excess of electricity produced and not taxed during the 12-month period ending June 30, 1990. In 1991, the definition of "electricity" was clarified for the purpose of the tax base, and the exemption from gross receipts tax for separately stated tax for telecommunications was repealed. SJR 2H was placed on the November 1992 ballot by the 1992 Legislature and adopted by the electorate. The amendment removed the July 1, 2025, ending date for the bonding of gross receipts taxes, permanently allowing such bonding of revenues, but with a maturity date on the bonds not to exceed 30 years from date of issuance. In 1998, Internet access fees were exempted from gross receipts and other taxes. Effective October 1, 2001, the definition of telecommunications was changed as part of a communications tax overhaul. The new definition includes cable and direct satellite television, and the rate was decreased from 2.5 percent to 2.37 percent. The gross receipts tax on communications services is remitted as a component of the communications services tax, which includes sales tax and local government tax components as well. Chapter 2003-17, L.O.F. (SB 1430), exempted the sale of manufactured gas to an electric utility from the gross receipts tax and Chapter 2003-254,

## GROSS RECEIPTS TAX

L.O.F. (SB 1176), exempted homes for the aged from the gross receipts tax on communications services. Chapter 2010-149, L.O.F. (SB 2024), reduced the sales tax rate imposed on communication services that originate and/or terminate in Florida from 6.80 percent to 6.65 percent. The legislation also amended s. 203.01, F.S., to increase the gross receipts tax rate on communications services from 2.37 percent to 2.52 percent. Chapter 2014-38, L.O.F. (HB 5601), reduced the sales tax rate for charges for electrical power by 2.65 percent and increased the gross receipts tax rate for certain purchases of electricity to 2.6 percent.

### BASE AND RATE:

A tax of 2.5 percent is imposed on the gross receipts from the sale of electricity, gas, and cogenerated electrical power transmission, and a tax of 2.52 percent is imposed on the sale of communications services. An additional 2.6 percent tax is levied on commercial electricity. Both privately held and publicly held corporations are required to pay the tax. Firms purchasing services for resale are granted a credit equal to the tax paid by their supplier. Gross receipts from the sale of gas used to generate electricity are exempt from the tax. Tax payments are due monthly. The gross receipts tax on communication services is remitted as a component of the communications services tax. Late penalties range from 10 percent to 50 percent of unpaid taxes.

### DISPOSITION:

Public Education Capital Outlay and Debt Service Trust Fund

### OTHER STATES:

A few states, such as Georgia and Indiana, tax public utilities the same as other businesses. Most states tax them by special forms of taxation, of which the most common is a gross receipts tax. In some states, gross receipts taxes are combined with other measures. Some special taxes on utilities are for revenue; some are simply sufficient to pay regulatory costs. Gross receipts tax rates vary from less than 1 percent to as much as 10 percent. Frequently, different rates are applied to nearly every type of utility. The Florida rate is low in comparison with states basing their tax on gross receipts; however, utilities are also subject to the Florida corporate income tax.

	<u>2026-27</u> (millions)
<b>VALUE OF RATE CHANGE:</b>	
Value of 0.1 percent levy on the current utilities base	\$33.3
<b>VALUE OF EXEMPTIONS:</b>	
Sale of LP Gas – residential (s. 203.012)	\$8.3
Sale of LP Gas – nonresidential (s. 203.012)	\$6.6
Sale of natural or manufactured gas used to generate electricity (s. 203.01(3))	\$138.5
Sale of communications services to governments, tax-exempt religious or educational organizations, and homes for the aged (s. 202.125)	\$60.6
<b>VALUE OF EXEMPTIONS ON SALES TAX BASE OF ELECTRICITY:</b>	
Partial Exemption for production cost of cogenerated energy	\$16.3
Wheeling or transmission of electricity	\$3.3
Purchases of power & heating fuels by residential households	\$349.5
Electricity used in manufacturing	\$27.8
Electricity used or dissipated in the transmission of electricity	\$15.3
<b>ALTERNATIVE BASES:</b>	
Water Services	\$92.2
Sewer Services	\$86.4
Solid Waste Services	\$90.0

## HEALTH CARE ASSESSMENTS

FLORIDA STATUTES: Sections 395.701 and 395.7015

ADMINISTERED BY: Agency for Health Care Administration

### SUMMARY:

Health care assessments are imposed on net operating revenues of hospitals at the rate of 1.5 percent for inpatient services and 1.0 percent for outpatient services. Assessments are imposed also at the rate of 1.0 percent on net operating revenues of ambulatory surgical centers and clinical laboratories.

### REVENUE:

2026-27*	946,514,832	0.00%
2025-26*	946,514,832	0.00%
2024-25	946,514,832	11.32%
2023-24	850,230,329	-1.04%
2022-23	859,183,009	17.36%
2021-22	732,113,470	0.06%
2020-21	731,638,810	6.58%
2019-20	686,493,312	5.28%

\* Estimate

### HISTORY:

The assessment on hospitals was enacted in 1984 as part of the Health Care Consumer Protection and Awareness Act (Chapter 84-35, L.O.F.). The assessment was imposed on all hospitals other than those operated by the Department of Health and Rehabilitative Services (now, the Department of Children and Families) or the Department of Corrections, at the rate of 1.5 percent of annual net operating revenues. The Act created the Public Medical Assistance Trust Fund and specified its use to reimburse hospitals for uncompensated care provided to indigent patients. In July 1991, the assessment base was expanded to apply to ambulatory surgical centers, clinical laboratories, freestanding radiation therapy centers, and freestanding diagnostic imaging centers. In July 1992, an assessment was imposed on nursing home facilities in the amount of \$1.50 for each patient day provided by the nursing home. The nursing home assessment was repealed on May 1, 1993. In 1998, outpatient radiation therapy services provided by a hospital were exempted from the assessment as well. Effective July 1, 2000, the assessment rate for outpatient services provided by hospitals was reduced from 1.5 percent to 1.0 percent.

The Second Judicial Circuit found the ambulatory assessment to be an unconstitutional income tax. In 2003, on appeal, the parties entered into a court-approved settlement agreement by which the ambulatory portion of the existing monies in the Public Medical Assistance Trust Fund was distributed, and the Agency for Health Care Administration (AHCA) discontinued the assessments. In 2003, a number of hospitals brought separate administrative actions challenging AHCA's implementation of those portions of Chapter 2000-256, L.O.F. (HB 2339), enacting the assessment rate changes currently in effect. A Final Order from the Division of Administrative Hearings supporting the hospitals was issued during calendar year 2006 and was later upheld by the First District Court of Appeals. Assessments subject to the Order were returned to providers during Fiscal Year 2007-08.

## HEALTH CARE ASSESSMENTS

### BASE AND RATE:

The annual net operating revenue is determined by AHCA based on the health care entity's prior fiscal year financial reports. The assessment is payable in equal quarterly amounts on or before the first day of each calendar quarter of the assessment year.

### DISPOSITION:

Public Medical Assistance Trust Fund

### OTHER STATES:

As of FY 2017-18, health care provider taxes are levied in 49 states and the District of Columbia (DC); only Alaska does not levy a tax. Such taxes generally are levied as a percentage of net revenue or as a bed tax per patient day. Of the 49 states and DC, 42 levy assessments on hospitals, 44 tax nursing homes, 36 tax intermediate care facilities for the developmentally disabled, and 13 tax managed care organizations.

2026-27  
(millions)

### VALUE OF RATE CHANGE:

Increase hospital inpatient assessment by an additional percentage point	\$438.3
Increase hospital outpatient assessment by an additional percentage point	\$289.0

## HIGHWAY SAFETY FEES LATE CIVIL PENALTIES

FLORIDA STATUTES: Section 318.18(8)(a), F.S.

ADMINISTERED BY: Penalties are collected by the various clerks of court and remitted by the 10<sup>th</sup> of the following month to the Florida Department of Revenue for deposit into the Highway Safety Operating Trust Fund and the General Revenue Fund.

SUMMARY: Section 318.18(8)(a), F.S., provides for an additional \$16 civil penalty for failure to comply with requirements or pay specified penalties within 30 days.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	General Revenue	Highway Safety Operating Trust Fund
2026-27*	15,207,500	1.31%	6,178,047	9,029,453
2025-26*	15,011,519	-4.96%	6,098,430	8,913,089
2024-25	15,794,448	3.29%	6,130,124	9,664,324
2023-24	15,290,799	-1.93%	5,842,938	9,447,861
2022-23	15,591,227	2.99%	6,274,762	9,316,465
2021-22	15,139,203	20.87%	6,094,347	9,044,856
2020-21	12,524,916	-17.55%	4,903,940	7,620,975

\* Estimate

### HISTORY:

The civil penalty was originally established by Chapter 86-154, L.O.F., at a rate of \$10 per violation. Chapter 87-108, L.O.F., increased the amount to \$12. Chapter 2009-14, L.O.F. (SB 40-A), further increased the amount to the current \$16.

### BASE AND RATE:

\$16 per violation

### DISPOSITION:

\$9.50 of additional \$16 civil penalty for failure to comply with court requirements or pay specified penalties within 30 days is deposited in the Highway Safety Operating Trust Fund, and \$6.50 is deposited in the General Revenue Fund.

OTHER STATES: The National Center for State Courts provides comparative information regarding state traffic laws. However, the center does not provide data regarding the mechanism used by states to encourage timely payment of civil traffic penalties. According to the Department of Highway Safety and Motor Vehicles, most, if not all, states provide some mechanism for encouraging the timely payment of civil traffic penalties.

2026-27  
(millions)

### VALUE OF RATE CHANGE:

Value of 10 percent rate change

\$1.5

## HIGHWAY SAFETY FEES TRAFFIC CAMERAS

FLORIDA STATUTES: Sections 316.0083(3), 318.18(15)(a)2. and 3., F.S., & 318.18(3)(d)1., F.S.

ADMINISTERED BY: Department of Highway Safety and Motor Vehicles, Department of Revenue, clerks of the court, and counties and municipalities operating traffic infraction detector programs.

### SUMMARY:

Sections 316.0083(3) and 318.18(15)(a)2. and 3., F.S., provide for a civil penalty of \$158 to be imposed on the owner of a motor vehicle when a traffic infraction detector has indicated that the driver has failed to stop at a traffic signal and the resulting traffic ticket has been issued by a state or local traffic enforcement officer. Notices of violations are issued by local governments and penalties are collected by those local governments when paid within 60 days of notification. Vehicle owners who do not pay on time or request a local hearing receive a traffic citation which must be paid to the clerk of the court in the county in which the violation occurred. Local governments and the clerks of court remit the state portion of revenues to the Florida Department of Revenue. Section 318.18(3)(d)1., F.S. provides for a civil penalty of \$100 to be imposed on the owner of a motor vehicle when speeding in a school zone enforced by traffic infraction detection equipment. The fine is to be distributed as follows: \$20 into the General Revenue Fund, \$77 to the county/city, and \$3 into Department of Law Enforcement Criminal Justice Standards and Training Trust Fund.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	General Revenue	Department of Health Emergency Medical Trust Fund	Brain & Spinal Cord Injury Trust Fund	Department of Law Enforcement Criminal Justice Standards and Training Trust Fund
2026-27*	80,567,812	1.80%	68,273,918	8,040,536	2,609,181	1,644,177
2025-26*	79,143,504	14.56%	67,069,249	7,888,019	2,559,688	1,626,547
2024-25	69,085,312	3.32%	58,437,358	7,372,883	2,392,525	882,545
2023-24	66,866,495	4.06%	56,411,418	8,042,367	2,412,710	0
2022-23	64,254,854	-3.23%	54,211,064	7,733,718	2,310,072	0
2021-22	66,396,321	19.63%	56,212,208	7,833,925	2,350,188	0
2020-21	55,500,550	-8.25%	46,792,630	6,698,399	2,009,521	0

\* Estimate

### HISTORY:

Chapter 2010-80, L.O.F. (HB 325), establishing the Mark Wandall Traffic Safety Program and providing for the use of traffic infraction detectors, was approved by the 2010 Legislature and amended by Chapter 2013-160, L.O.F. (HB 7125), approved by the 2013 Legislature. Chapter 2023-174, L.O.F. (HB 657) establishing enforcement of school zone speed limits via traffic infraction detection equipment.

### BASE AND RATE:

The penalty for failure to stop at a traffic signal is \$158 per violation. The penalty for excessive speed in a school zone is \$100 per violation.

### DISPOSITION:

When a red light violation is issued by the Department of Highway Safety and Motor Vehicles, the Department of Revenue deposits \$100 into the General Revenue Fund, \$10 into the Department of Health Emergency Medical Trust Fund, and \$3 into the Brain and Spinal Cord Injury Trust Fund. In addition, the



## HIGHWAY SAFETY FEES TRAFFIC CAMERAS

Department of Revenue or clerk of court remits \$45 to the local jurisdiction issuing the violation. To date, the department has not initiated any civil penalties.

When a red light violation is issued by a local government, the Department of Revenue deposits \$70 into the General Revenue Fund, \$10 into the Department of Health Emergency Medical Trust Fund, and \$3 into the Brain and Spinal Cord Injury Trust Fund. In addition, the local government retains, or the clerk of court remits, \$75 to the local jurisdiction issuing the violation.

When a school speed violation is detected by traffic infraction detection equipment, the Department of Revenue deposits \$20 into the General Revenue Fund and \$3 into the Department of Law Enforcement Criminal Justice Standards and Training Trust Fund. In addition, the local government retains, or the clerk of court remits, \$77 to the local jurisdiction issuing the violation.

### OTHER STATES:

According to the Insurance Institute for Highway Safety, 343 communities in 22 states across the country currently participate in a red light camera program.

2026-27  
(millions)

### VALUE OF RATE CHANGE:

The value of a 10 percent increase in the red light penalty	\$6.8
The value of a 10 percent increase in the school speed penalty	\$1.3

## HOTEL AND RESTAURANT LICENSES AND FEES

FLORIDA STATUTES: Sections 509.251, 509.302, 509.102, 399.01, 399.03, and 399.07

ADMINISTERED BY: Department of Business and Professional Regulation, Division of Hotels and Restaurants

### SUMMARY:

Apartments, hotels, motels, rooming houses, timeshare projects, vacation rentals, and food service establishments must pay an annual license fee to the Department of Business and Professional Regulation to cover the cost of regulation. The Department is authorized by statute to establish rules to implement the fees. The fee is based on the number of units for public lodging or the number of seats or services for food service establishments.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	41,312,777	1.99%
2025-26*	40,507,394	1.31%
2024-25	39,982,538	-2.96%
2023-24	41,203,767	6.51%
2022-23	38,686,495	6.38%
2021-22	36,367,156	5.09%
2020-21	34,606,904	10.20%

\* Estimates

### HISTORY:

Beginning in 1899, sanitary inspection of hotels and restaurants was assigned to the Board of Health and a \$2 fee was prescribed. In 1913, hotel and restaurant inspections were taken over by a Hotel and Restaurant Commissioner. Fee changes have been made at frequent intervals by the Division of Hotels and Restaurants. From 1953 to 1975, all collections were deposited into the General Revenue Fund, from which administrative costs were appropriated. In 1975, an increase in fees was enacted and disposition of funds was changed to the Hotel and Restaurant Trust Fund. The \$3 hospitality education fee was increased in 1990 to "no more than \$6" and is to be "included in" instead of "in addition to" each lodging and food service license fee. In 1992, s. 559.925, F.S., providing for the licensure of receptive tour operators, was repealed. In 1993, the caps on various fees were increased. In 1996, the Legislature required that all hospitality education fees be used for the sole purpose of funding the Hospitality Education Program. Chapter 2001-186, L.O.F. (SB 336/190), increased the caps for various fees related to elevator safety. Chapter 2002-299, L.O.F. (SB 1808), increased the Hospitality Education Fee cap from \$6 to \$10, and excluded certain fees from the maximum aggregate license fee for public food service establishments. Chapter 2012-165, L.O.F. (HB 249), deregulated all rooming houses and any apartment buildings inspected by the U.S. Department of Housing and Urban Development that are designated primarily as housing for persons age 62 or older. Chapter 2014-721, L.O.F. (HB 807) created a new public lodging establishment classification for Timeshare Projects which also separated timeshares from vacation rentals. Chapter 2020-160, L.O.F. (HB 1193) created s. 509.102, F.S., defining mobile food dispensing vehicle. Chapter 2023-48, L.O.F. (SB 752) expanded s. 509.102, F.S. to include the definition of temporary commercial kitchen. As a result of Chapter 2023-48, L.O.F, a fee was established for temporary commercial kitchens.

## HOTEL AND RESTAURANT LICENSES AND FEES

### BASE AND RATE:

Public Lodgings: Apartments - basic fee - transient unit - \$125, non-transient unit - \$95, plus additional amount based on number of units. Single unit (transient only) - \$10; 2 (transient) or 5 (non-transient) to 25 units - \$20; 26 to 50 units - \$35; 51 to 100 units - \$50; 101 to 200 units - \$75; 201 to 300 units - \$105; 301 to 400 units - \$135; 401 to 500 units - \$160; over 500 units - \$190. Hotels & Motels - basic fee \$170, plus additional amount based on number of units, same as apartments, ranging from \$10-\$190. Single and Group Vacation Rentals and Timeshare Projects - basic fee \$150, plus additional amount based on number of units, same as hotels, motels, and rooming houses. Collective Vacation Rentals and Timeshare Projects- basic fee \$150, plus \$10 per unit up to \$1,000 maximum fee (175 units).

Food Service: Each permanent seating establishment \$185, plus additional amount according to seats: 1 to 49 seats - \$55; 50 to 149 - \$65; 150 to 249 - \$85; 250 to 349 - \$105; 350 to 499 - \$125; 500 or more seats - \$145. Theme park food carts - base fee \$185, plus additional amount based on number of carts like seating, ranging from \$55 to \$145. Permanent nonseating Establishments - \$220. Mobile food dispensing vehicle licenses - base fee \$185, plus service type fee \$135. Temporary commercial kitchen - base fee \$185, plus service type fee \$135. Caterers - base fee \$185, plus service type fee \$55. Vending machines - base fee \$10. Temporary food service licenses - 1 to 3 day events - \$77; 4 to 30 day events - \$90; annual license - \$425. A fee of approximately 5 percent is added to each food service license fee for epidemiological services provided by the Department of Health for food borne illness investigations. Except for annual temporary event licenses, aggregate fees per establishment may not exceed \$400.

Hospitality Education Fee: Imposed on each lodging and food service establishment - \$10.

Elevator Licensing Fees: Basic fee of \$75 per device. Certificate of competency fee for elevator professionals is \$50 per year.

### DISPOSITION:

Hotel and Restaurant Trust Fund.

### OTHER STATES:

It is common among the states to inspect and regulate hotels, motels, restaurants, and other food service establishments, by either state or local authority. This may be done by the health authorities or by some specially appointed agency.

## HUNTING AND FISHING LICENSES

FLORIDA STATUTES: Sections 379.353 - 379.357 and 379.361 - 379.377

ADMINISTERED BY: Fish and Wildlife Conservation Commission

### SUMMARY:

Hunting and fishing in Florida generally requires a license unless an exemption applies. Permits are also required to hunt and fish certain species or seasons. Florida licenses and permits are issued by the Fish and Wildlife Conservation Commission (FWC). They may be purchased from tax collectors, or for an additional fee, from retail vendors and via the telephone and Internet. License fees are set by statute and are based on intended activity, duration of the license, location, and residency status. License fees support fish and wildlife resource conservation including species/habitat management, research, and law enforcement, and provide hunting and fishing opportunities.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	State Game Trust Fund	Marine Resources Conservation Trust Fund	Dedicated License Trust Fund	Lifetime Fish and Wildlife Trust Fund
2026-27*	69,817,000	1.32%	24,311,324	39,270,750	2,297,078	3,937,848
2025-26*	68,910,000	1.40%	23,994,462	38,761,875	2,267,139	3,886,524
2024-25	67,959,173	-26.34%	23,830,173	38,036,000	2,209,225	3,883,775
2023-24	92,257,731	24.45%	24,042,438	40,064,467	2,816,595	25,334,231
2022-23	74,130,018	2.20%	25,914,350	41,665,126	2,384,827	4,165,715
2021-22	72,533,304	-0.04%	24,931,443	40,762,731	2,527,541	4,311,589
2020-21	72,565,751	15.60%	25,486,254	40,890,621	2,293,129	3,895,747

\* Estimate

### HISTORY:

Florida enacted a law requiring recreational hunting and freshwater fishing licenses in 1929. Recreational license and/or permit fees were increased in 1961, 1963, 1977, 1979, 1985, 1989, 1990, 2007, and 2009. There have been many new types of licenses created over the years, including combination hunting and fishing licenses established in 1985 and a resident sportsman license created in 1987. Beginning in 1989, the Legislature required a saltwater fishing license for the first time. In 1990, persons who operated charter boats (vessels carrying customers who fish for a fee) were required to obtain a saltwater vessel license (customers fishing from a licensed charter boat are exempted from having to obtain a personal recreational saltwater fishing license). Resident lifetime and 5-year hunting and fishing licenses were created in 1991. A special recreational spiny lobster license was created in 1993 (it was repealed during the 2014 Session in Chapter 2014-136, L.O.F. (HB 955)). Chapter 98-333, L.O.F. (HB 3673), eliminated the resident saltwater \$10/10-day license; and reduced the resident 5-year hunting license fee from \$270 to \$55 (and excluded all permits from the license, requiring the licensee to buy permits individually).

In 1999, the Legislature implemented the constitutional amendment that created the Fish and Wildlife Conservation Commission from the former Game and Fresh Water Fish Commission, Marine Fisheries Commission, and marine programs from the Department of Environmental Protection; all hunting, freshwater fishing, and saltwater fishing licenses were transferred to FWC. Chapter 2000-362, L.O.F. (SB 386), created the following annual combination residential licenses: hunting, freshwater, and saltwater fishing; and freshwater and saltwater fishing. Chapter 2005-45, L.O.F. (HB 395), created the Military Gold Sportsman's license with a fee of \$18.50 (for residents who are active or retired members of the U.S. Armed Forces, U.S. Armed Forces Reserves, National Guard, U.S. Coast Guard, or the U.S. Coast Guard Reserves). Chapter 2006-304, L.O.F. (HB 471), created a \$5 crossbow permit and,

## HUNTING AND FISHING LICENSES

accordingly, increased the annual fees of the Sportsman's license from \$66 to \$71 and the Gold Sportsman's license from \$82 to \$87. Chapter 2007-223, L.O.F. (HB 7173), established commercial license fees associated with the Blue Crab Effort Management Program, increased licenses fees for most recreational fishing and hunting licenses, created a nonresident recreational 3-day freshwater fishing license, and enabled FWC to solicit donations for youth hunting and fishing programs as a voluntary check-off at the time hunting and fishing licenses are sold. Chapter 2008-106, L.O.F. (SB 1286), provided for hunting and fishing license fees and vessel registration fees to be adjusted by the percentage change in the Consumer Price Index (CPI), starting in 2013 and every five years thereafter, unless otherwise provided by law; these provisions were repealed by Chapter 2013-56, L.O.F. (HB 5503).

Chapter 2009-86, L.O.F. (HB 1423), increased the following annual recreational permit fees, effective July 1, 2010: waterfowl permit from \$3 to \$5; resident turkey permit from \$5 to \$10; non-resident turkey permit from \$100 to \$125; snook permit from \$2 to \$10; and spiny lobster permit from \$2 to \$5. It also authorized an increase for the special use permit (to participate in limited entry hunting or fishing activities authorized by FWC) from \$100 to \$150 per day, or from \$250 to \$300 per week; and authorized an increase, from \$25 to \$30 per year, of the maximum fee for a management area permit to hunt or fish on land owned, leased, or managed by the FWC. The legislation also created a permit with a maximum fee of \$5 per day or \$30 per year for anyone to hike, camp, or otherwise engage in other outdoor recreational activities, except hunting or fishing, on management area lands; it also created a \$5 annual deer permit.

Chapter 2009-65, L.O.F. (SB 1742), repealed the recreational saltwater shoreline exemption authorized for Florida residents; it required residents who saltwater fish from the shoreline or a structure fixed to the land to purchase a shoreline license at a cost of \$7.50; the license is not required if they possess an annual saltwater fishing license or if they fall under an exemption.

Chapter 2010-146, L.O.F. (SB 1514), repealed the fee for the shoreline license created in 2009 (it did not repeal the requirement for the shoreline license).

Chapter 2012-95, L.O.F. (HB 7025), reduced the commercial blue crab/soft shell endorsement annual fee from \$250 to \$125.

Chapter 2013-194, L.O.F. (HB 333), exempted disabled veterans and active military from having to obtain a recreational hunting or fishing license when participating in a hunting or fishing special event whose organizing entity has obtained an FWC permit; this same legislation modified the restricted species criteria for certain veterans who wish to become commercial saltwater fishermen.

Chapter 2024-251, L.O.F. (HB 1329), provides fee exemptions for hunting, freshwater fishing and saltwater fishing licenses to any Florida resident who is a disabled veteran and honorably discharged, and certified by the United States Department of Veterans Affairs or by any branch of the United States Armed Forces as having a service-connected disability percentage rating of 50 percent or greater. Any license issued under this expanded fee exemption expires after five years and must be reissued, upon request, every five years thereafter.

### BASE AND RATE:

Hunting/Game Licenses/Permits, annual unless otherwise specified: Licenses: Resident Hunting: \$15.50; 5-year \$77.50; Lifetime 4 years or younger \$200, 5 - 12 years \$350, 13 - 63 years \$500. Non-Resident Hunting: \$150; 10-day \$45. Trapping: Resident \$25; Non-Resident \$25. Fur and hide dealers: Resident \$100; Non-Resident \$500. Private hunting preserve: \$70; Commercial \$500. Game farm \$50. Permits, Resident or Non-Resident: Waterfowl \$5; Deer \$5; Management Area, for hunting and fishing, not to exceed \$30; Management Area, for activities other than hunting and fishing, not to exceed \$5/day

## HUNTING AND FISHING LICENSES

or \$30/year; Muzzle-loading Gun \$5; Archery \$5; Crossbow \$5. Turkey Permit: Resident \$10; Non-Resident \$125. Special use permits for limited entry hunting or fishing activities, not to exceed \$150/day or \$300/week.

Freshwater Fishing Recreational License, annual unless otherwise specified: Resident: \$15.50; 5-year \$77.50; Lifetime 4 years or younger \$125; 5 - 12 years \$225; 13 years or older \$300. Non-Resident: 3-day \$15.50; 7-day \$28.50; annual \$45.50.

Freshwater Fishing Commercial License, annual: Commercial Fishing: Resident \$25; Non-Resident \$100. Freshwater Fish Dealer: Resident (also allows Wholesale activities) \$40; Non-Resident \$100. Wholesale Fish Dealer, Non-Resident, \$50 - \$500. Fish Pond (greater than 20 acres) \$3 per surface acre (allows those fishing to be exempt from freshwater fishing license requirement). Annual Gear license: Trawl Seines \$50; Haul Seines \$100. Lake Okeechobee Permits: Resident Trawl \$50; Resident Haul Seines \$100; Non-Resident or Alien Trawl or Haul Seines \$500; Tag Fee (for sale of game fish commercially harvested from Lake Okeechobee) up to \$.50/each.

Alligator Licenses, annual: Alligator Trapping: Resident \$250; Non-Resident \$1,000. Farming or Processing \$250; Trapper or Farmer Agent \$50.

Saltwater Fishing, Recreational Licenses/Permits, annual unless otherwise specified: Licenses: Resident \$15.50; 5-year: \$77.50; Shoreline: \$0; Lifetime 4 years or younger \$125; 5 - 12 years \$225; 13 years or older \$300. Non-Resident: 3-day \$15.50; 7-day \$28.50; annual \$45.50. Special Recreational Spiny Lobster License \$100. Fishing Pier \$500 (allows those fishing to be exempt from saltwater fishing license requirement). Recreational Vessel \$2,000 (allows those fishing to be exempt from saltwater fishing license requirement). Permits: Snook \$10; Spiny Lobster \$5; Tarpon tag \$50/each.

Combination Recreational Licenses, annual unless otherwise specified: Hunting and freshwater fishing \$31; Freshwater and saltwater fishing \$31; Hunting, freshwater and saltwater fishing \$46.50; Sportsman's \$79; Sportsman's, 64 years and older \$12 (lifetime); Gold Sportsman's \$98.50; Military Gold Sportsman's \$18.50. Resident Lifetime Sportsman: 4 years or younger \$400; 5 - 12 years \$700; 13 years or older \$1,000.<sup>1, 23</sup>

Saltwater Fishing Licenses/Endorsements, Commercial (Saltwater Products), annual: Licenses: Individual Resident \$50; Non-Resident \$200; Alien \$300. Individual/Vessel and all aboard: Resident \$150; Non-Resident \$600; Alien \$900. Vessel and all aboard: Resident \$100; Non-Resident \$400; Alien \$600. Oyster (Apalachicola Bay) Resident \$100; Non-Resident \$500. Live/dead bait/shrimp production, Tampa Bay, Resident \$250, Non-Resident \$1,000. Endorsements: Marine Life \$75; Stone Crab \$125 (plus trap certificate fees); Blue Crab/hard shell \$125 (plus trap certificate fees); Blue Crab/soft shell \$125 (plus trap certificate fees); Spiny Lobster \$125 (plus trap certificate fees). Trap retrieval fee \$10. St. Johns Seine Net permit \$250. Gear License: purse seines \$25.

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<sup>1</sup> Executive Order Number 14-295, issued by Governor Rick Scott, authorized FWC to temporarily reduce the Lifetime Sportsman's License fee to \$500 for residents aged 5 to 21 from November 24, 2014 through December 31, 2014.

<sup>2</sup> In December 2017, Governor Scott signed a proclamation that offered the Lifetime Sportsman's Licenses for Florida residents 17 years of age and younger at a 25% discount. The discount was available December 1, 2017 through December 31, 2017.

<sup>3</sup> Executive Order Number 23-209, issued by Governor Ron DeSantis, authorized FWC to provide 50% discounts to Floridians on the Gold Sportsman Hunting and Fishing Licenses from October 14, 2023 through January 13, 2024.

## HUNTING AND FISHING LICENSES

Wholesale and Retail Saltwater Products Dealer Licenses, annual: Wholesale/County: Resident \$400; Non-Resident \$600; Alien \$1,100. Wholesale/State: Resident \$550; Non-Resident \$1,100; Alien \$1,600. Retail: Resident \$75 (\$25 per additional location); Non-Resident \$250 (\$40 per additional location); Alien \$300 (\$65 per additional location).

Saltwater Charter Boat Licenses, annual: To carry more than 10 customers \$800; to carry no more than 10 customers \$400; to carry 6 or fewer customers \$200.

Possessing, Selling, Exhibiting Captive Wildlife Licenses, annual: Personal Possession \$0-140; Exhibition or Sale \$50-\$250; Venomous Reptile/Reptile of Concern \$100.

DISPOSITION (into trust funds administered by FWC, unless otherwise noted):

Hunting, Freshwater Fishing, and Captive Wildlife Licenses, Fines, Forfeitures, and Administrative Fees: State Game Trust Fund.

Saltwater Fishing Licenses, Fines, Forfeitures, and Administrative Fees: Marine Resources Conservation Trust Fund; General Inspection Trust Fund and Florida Saltwater Products Promotion Trust Fund (administered by the Department of Agriculture and Consumer Services).

Lifetime Fishing and Hunting License Fees: Lifetime Fish and Wildlife Trust Fund.

5-Year Fishing and Hunting License Fees: Dedicated License Trust Fund.

OTHER STATES:

All states collect hunting and fishing license fees.

## INDIAN GAMING REVENUES

FLORIDA STATUTES: Chapter 285

ADMINISTERED BY: Section 16.712, Florida Statutes, designates the Florida Gaming Control Commission as the state compliance agency (SCA) and directs it to oversee the gaming compact with the Seminole Tribe of Florida.

### SUMMARY:

Chapter 285 ratifies and approves the 2021 Compact between the Seminole Tribe of Florida and the State of Florida. The Compact recognizes the Tribe's right to offer certain Class III gaming and provides substantial exclusivity for such activities in exchange for a revenue sharing arrangement. The Compact allows the play of covered games at seven Seminole tribal facilities, which may be relocated, expanded, or replaced on Indian Lands as provided for in the compact.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	General Revenue	Indian Gaming Revenue Clearing Trust Fund
2026-27*	941,100,000	4.18%	941,100,000	0
2025-26*	903,300,000	10.52%	903,300,000	0
2024-25	817,306,784	128.92%	32,692,271	784,614,513
2023-24	357,030,045	100.00%	179,331,914	177,698,131
2022-23	0	-100.00%	0	0
2021-22	187,500,000	100.00%	187,500,000	0
2020-21	0	0.00%	0	0

\* Estimate

### ADOPTED DISTRIBUTIONS:

Fiscal Year	Total Collections	General Revenue	Florida Wildlife Corridor	Uplands Management & Invasive Species Removal	Resilient Florida	Water Protection & Sustainability
2026-27*	941,100,000	941,100,000	0	0	0	0
2025-26*	903,300,000	903,300,000	0	0	0	0
2024-25	817,306,784	32,692,271	100,000,000	100,000,000	100,000,000	484,614,513
2023-24	357,030,045	179,331,914	46,276,147	46,276,147	46,276,147	38,869,689
2022-23	0	0	0	0	0	0
2021-22	187,500,000	187,500,000	0	0	0	0
2020-21	0	0	0	0	0	0

### HISTORY:

On November 14, 2007, the Governor and the Seminole Tribe of Florida executed a gaming agreement which was subsequently invalidated by the Florida Supreme Court. On August 28, 2009, and August 31, 2009, the Governor and the Tribe executed a replacement which was sent to the President of the Senate and the Speaker of the House of Representatives, but it was neither ratified nor approved by the Legislature. On April 7, 2010, the Governor and the Tribe executed a third agreement that was ratified by the Legislature as part of Chapter 2010-29, L.O.F. (SB 622), and approved by the United States Secretary of the Interior.



## INDIAN GAMING REVENUES

The first ratified Compact (referred to as the 2010 Compact) had a term of 20 years, which began the first day of the month following the publication of the notice of approval in the Federal Register (July 6, 2010), making it effective August 1, 2010. Based on this, the expiration date would have been July 31, 2030. An exception was made to the general expiration for certain named banking or banked card games (including baccarat, chemin de fer, and blackjack, but excluding roulette, craps, roulette-styled games, and craps-styled games); this specific authorization was set to expire after five years.

The 2010 Compact authorized play of covered games at seven Seminole tribal gaming facilities. The games included slot machines at all seven facilities and banked card games at five of the seven facilities. As part of this authorization, the Tribe was granted partial but substantial exclusivity for both the play of banked card games and the operation of slots in counties other than Broward and Miami-Dade. In exchange, the Tribe agreed to a revenue sharing arrangement with the State. The Compact provided that once the authorization for banked card games expired, revenue share payments from all banked card games and all Broward activity would cease. It also provided that the Tribe had 90 days, referred to as a grace period, to cease the operation of banked card games. The authorization for banked card games expired on July 31, 2015, and the grace period ended October 31, 2015. Beginning in November 2015 and running through July 2017, revenue sharing associated with banked card games was not included in the state's official revenue forecasts. The Revenue Estimating Conference met in August 2017 where it took two actions that affected the treatment of past and future receipts. First, based on the Settlement Agreement and Stipulation entered into between the Seminole Tribe of Florida and the State of Florida in July 2017, the payments associated with banked card games that the state had held in reserve (\$233.8 million) since November 2015 were released. Of the total, \$226.8 million belonged exclusively to the State; the remainder was distributed to local governments pursuant to s. 285.710, Florida Statutes. Second, all future revenue share payments, including those formerly placed in reserve, were treated as nonrecurring revenues since continuation of these payments depended on actions by the State and the Seminole Tribe that could not be anticipated with sufficient certainty. In this regard, the Settlement Agreement and Stipulation required that "...the state takes aggressive enforcement action against the continued operation of banked card games, including Designated Player Games that are operated in a banked game manner..." during a specified Forbearance Period. The original Forbearance Period ended March 31, 2018; however, an amendment to the Settlement Agreement was signed on April 18, 2018, effectively extending the Forbearance Period to May 31, 2019. After making its April 2019 payment, the Tribe ceased all revenue sharing with the State. The Revenue Estimating Conference met in July 2019 where it zeroed out the revenue forecast and projected a remaining \$7.2 million local distribution in March of 2020, which was related to a prior State liability.

Florida voters approved a constitutional amendment at the 2018 General Election (Amendment 3) which created Article X, s. 30 of the Florida Constitution. This amendment made citizen's initiatives the exclusive method of authorizing casino gambling (as defined in the amendment), with an exception made for gaming compacts for the conduct of casino gambling on tribal lands.

The Governor and the Seminole Tribe of Florida signed a new Compact on April 23, 2021, with an amendment on May 17, 2021. It was subsequently ratified in Special Session as part of Chapter 2021-268, L.O.F. (CS/SB 2-A), which was approved by the Governor on May 25, 2021. The first part of the amendment removed a reference to online casino gambling (or other casino-style gaming) that broadly referenced all types of covered games. The original provision was dependent on the results of future good faith negotiations that were to occur within 36 months after the effective date of the Compact. The second part of the amendment addressed the initiation of sports betting no earlier than October 15, 2021.

The legislation required that, "Upon receipt of an act ratifying a tribal-state compact, the Secretary of State shall coordinate with the parties to the compact to formally submit a copy of the executed compact and the ratifying act to the United States Secretary of the Interior for his or her review and approval, in

## INDIAN GAMING REVENUES

accordance with 25 U.S.C. s. 2710(d)(8).” On August 11, 2021, the Department of Interior, Bureau of Indian Affairs, published a notice entitled “Indian Gaming; Approval by Operation of Law of Tribal-State Class III Gaming Compact in the State of Florida” in the Federal Register. This notice officially triggered the first revenue sharing cycle to begin on September 1, 2021. By operation, the 2010 Compact was superseded when the 2021 Compact became effective.

In addition to the previously authorized games, the 2021 Compact authorizes craps & roulette, sports betting, and fantasy sports contests. It also establishes a new bracket structure based on the different components of Net Win: Slot Machines, Raffles and Drawings + New Games; Table Games (including craps & roulette); Sports Betting – Tribe (direct); and Sports Betting – Qualified Pari-mutuel Permitholders. Further, the 2021 Compact includes a schedule of guaranteed minimum payments that apply to the first five revenue sharing cycles. The guarantees are:

- At least \$400 million for any revenue sharing cycle during the first five years of the Compact;
- At least \$1.5 billion by the end of the third revenue sharing cycle with the payment due within 30 calendar days after the end of the third cycle; and
- At least \$2.5 billion by the end of the fifth revenue sharing cycle with the payment due within 30 calendar days after the end of the fifth cycle.

For this purpose, the end of the third revenue sharing cycle would be August 31, 2024, and the end of the fifth revenue sharing cycle would be August 31, 2026. There are, however, certain enumerated events which affect these calculations. Overall, the Tribe's obligation to make the Guaranteed Minimum Compact Term Payment ceases (i) if the State violates the Tribe's exclusivity and the State fails to cure such violation within 180 days after notice of such breach by the Tribe, or (ii) if the Tribe's authorization to conduct the Covered Games is invalidated, in whole or in part, as a result of a court decision; provided, if at any time the Tribe is not legally permitted to offer Sports Betting as described in the 2021 Compact, including to patrons physically located in the State but not on Indian Lands, or the Tribe loses the exclusive right to offer Sports Betting, then the Tribe's obligation to pay the full Guaranteed Minimum Compact Term Payment and the other minimum payments shall be reduced by ten (10) percent.

The State of Florida began receiving Indian Gaming payments pursuant to the 2021 Compact in October of 2021; however, the U.S. District Court for the District of Columbia set aside federal approval of the 2021 Compact on November 22, 2021. Nevertheless, the Seminole Tribe of Florida continued revenue sharing with the State of Florida through February 2022, after which time they discontinued all payments. Between October 2021 and February 2022, the state received 5 payments of \$37.5 million, totaling \$187.5 million. On June 30, 2023, the United States Court of Appeals, D.C. Circuit, vacated the District Court's opinion, and directed it to enter judgment for the Secretary of the Department of Interior. The petitioners appealed, and the U.S. Supreme Court denied a petition for a writ of certiorari on June 17, 2024.

The Tribe resumed revenue sharing with the State while the litigation was still ongoing. After a soft opening on November 7, 2023, to test its sports betting platform, the Tribe formally launched the statewide reactivation of its sports betting program on December 7, 2023, as well as the newly authorized games of craps and roulette. The first payment was received in January 2024. The Revenue Estimating Conference formally recognized the renewed stream of receipts as nonrecurring revenue on February 20, 2024—and at its August 2024 Conference, began treating all receipts as recurring given the conclusion of the previously active litigation.

## INDIAN GAMING REVENUES

### BASE AND RATE:

The revenue sharing bracket structure is based on the different components of net win as follows:

#### 2021 Compact Brackets for Revenue Sharing

##### ***Slot Machines, Raffles and Drawings + New Games***

0.120	12% of all amounts up to and including Two Billion Dollars (\$2,000,000,000) of Net Win
0.175	17.5% of all amounts greater than Two Billion Dollars (\$2,000,000,000) up to and including Two Billion Five Hundred Million Dollars (\$2,500,000,000) of Net Win
0.200	20% of all amounts greater than Two Billion Five Hundred Million Dollars (\$2,500,000,000) up to and including Three Billion Dollars (\$3,000,000,000) of Net Win
0.225	22.5% of all amounts greater than Three Billion Dollars (\$3,000,000,000) up to and including Three Billion Five Hundred Million Dollars (\$3,500,000,000) of Net Win
0.250	25% of all amounts greater than Three Billion Five Hundred Million Dollars (\$3,500,000,000) of Net Win

##### ***Table Games (including Craps & Roulette)***

0.150	15% of all amounts up to and including One Billion Dollars (\$1,000,000,000) of Net Win
0.175	17.5% of all amounts greater than One Billion Dollars (\$1,000,000,000) up to and including One Billion Five Hundred Million Dollars (\$1,500,000,000) of Net Win
0.225	22.5% of all amounts greater than One Billion Five Hundred Million Dollars (\$1,500,000,000) up to and including Two Billion Dollars (\$2,000,000,000) of Net Win
0.250	25% of all amounts greater than Two Billion Dollars (\$2,000,000,000) of Net Win

##### ***Sports Betting - Tribe (direct)***

0.1375	13.75% of Net Win
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##### ***Sports Betting - Qualified Pari-Mutuel Permitholders***

0.100	10% of Net Win
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### DISPOSITION:

Legislation passed during the 2024 Session (CS/SB 1638; Chapter No. 2024-58) that significantly changed the expected distribution of receipts. Instead of entirely benefiting the General Revenue Fund, 96 percent of future distributions were directed to trust funds that provide funding for environmental resource management. In addition to recognizing this change, the Conference decided in August 2024 that the local government share distributions required by s. 285.710(10), F.S., and accomplished by nonoperating budget transfers from the General Revenue Fund should be shown on the State's Financial Outlook Statement as effective appropriations. As part of its 2025 Session actions, the Legislature reversed the 2024 statutory change and redirected all revenue share payments back to the General Revenue Fund (SB 2506; Chapter No. 2025-201).

### OTHER STATES:

According to the International Center for Gaming Regulation, 29 states have tribal gaming operations within their borders that are regulated pursuant to the Indian Gaming Regulatory Act of 1988 (IGRA). Of these, 25 states permit Class III or "casino-style" gaming. With significant though not total overlap, there

## INDIAN GAMING REVENUES

are 22 states in which tribal sports wagering is authorized and/or currently operational, of which five states limit the authorization to in-person sports betting by tribal operators. Florida's model ("hub-and-spoke") is unique. The information regarding other states is current as of September 1, 2022.

## INSPECTION LICENSES AND FEES

FLORIDA STATUTES: Chapter 472; sections 487.041, 487.045, 496.405, 500.90, 500.459, 501.605, 525.09, 526.51, 531.60-531.66, 576.041, 578.08, 580.0365, 580.041, 601.28, 601.59, 603.12, 604.19, and 616.242

ADMINISTERED BY: Department of Agriculture and Consumer Services

### SUMMARY:

The Department of Agriculture and Consumer Services is responsible for the regulation and inspection of a wide range of activities related to agriculture and certain consumer commodities. Inspection fees are expected to cover the cost of regulation and inspection.

### REVENUE:

Fiscal Year	Total Collections	Biennial Change %
2026-27*	85,232,628	1.63%
2025-26*	73,668,264	1.80%
2024-25	83,863,708	1.46%
2023-24	72,364,074	-0.69%
2022-23	82,660,354	2.65%
2021-22	72,866,136	3.58%
2020-21	80,528,439	-0.87%

\* Estimate

### HISTORY:

The following table provides a listing of the various types of fees and the date of their implementation:

Type of Fee	Base and Rate	Date of Creation	Last Increase	Disposition
Citrus Inspection	Fees for inspection of citrus grade and maturity in continuous inspection packing houses, inspection for pounds solid and brix acid levels at processing plants, inspection of imported fruit at terminal markets.	1949	2008	Citrus Inspection Trust Fund
Citrus Licenses	Each applicant that qualifies for a citrus fruit dealer's license must pay a \$25 per shipping season license fee. A \$10 per shipping season registration fee is required for each agent of the licensed citrus fruit dealer.	1949		Citrus Inspection Trust Fund
Gas and Kerosene Inspection	An inspection fee of one-eighth cent per gallon is assessed on all gasoline,	1919		General Inspection Trust Fund

## INSPECTION LICENSES AND FEES

	kerosene (except when used as aviation turbine fuel), and #1 fuel oil for sale or use in this state.			
Produce Dealers Licenses	A license is required before conducting business as a dealer in agricultural products. The license fee may not exceed \$500.	1941	2006	General Inspection Trust Fund
Pesticide Licenses	A license is required for a pesticide applicator that uses or supervises the use of restricted use pesticides. The license fee varies by type of applicant.	1975	2009	General Inspection Trust Fund
Professional Surveyors and Mappers Licenses	A license is required from the department for a professional to practice surveying and mapping in the state. The initial license fee shall not exceed \$200.	1994		General Inspection Trust Fund
Fairs and Expos Permits	Fees are established by rule to cover the costs and expenditures associated with the Bureau of Fair and Rides Inspection.	1986	2005	General Inspection Trust Fund
Weights & Measures Instruments and Devices Commercial Use Permits	Fees are established to administer permits for the use of various weights & measures instruments and devices. The permit fee is based on the manufacturer's rated capacity, device design, or use and whether measuring by an inch, pound, or the metric equivalent.	2009		General Inspection Trust Fund
Fruit and Vegetable Inspection	When requested by the shipper, the department will furnish car lot inspections of fruits, vegetables, nuts, grains, and other agricultural products at shipping point. The expense of the inspection is paid by the shipper in the form of inspection fees.		2008	General Inspection Trust Fund
Feed Registration	Each distributor of commercial feed must annually obtain a master registration for each brand that will be distributed in the state.	1905	2008	General Inspection Trust Fund

## INSPECTION LICENSES AND FEES

	The registration fee is determined by the number of tons of feed distributed in this state by the distributor during the previous year.			
Fertilizer Inspection	\$1 per ton for fertilizer sold in the state.	1966	2008	General Inspection Trust Fund
Seed Registration	A seed dealer must obtain a license prior to selling seed in the state. The license fee is determined by the gross receipts from the sale of such seed for the preceding license year.	1945	1992 2009	General Inspection Trust Fund
Brake Fluid Permit	A permit fee of \$50 for 12 months or \$100 for 24 months is required for the registration of each brand of brake fluid sold in the state. Renewal fees are \$50 per year, or \$100 for two years.	1961		General Inspection Trust Fund
Phosphate and Lime Nitrogen	30 cents per ton for phosphate and lime sold or used for agricultural purposes in the state.	2003		General Inspection Trust Fund
Telecommunication List Solicitor	A license fee of \$1,500 is required for businesses to engage in commercial telephone solicitation in the state.	1991		General Inspection Trust Fund
Water Vending Permits	A water vending machine permit is required of any person who establishes, maintains, or operates a water vending machine in the state. The permit fee is \$35 per machine.	1984		General Inspection Trust Fund
Plant Industry	The department regulates nurseries and the movement of nursery stock as may be necessary for the eradication, control, or prevention of the dissemination of plant pests or noxious weeds.	1999	2016	Plant Industry Trust Fund
Substance Abuse Marketing Services	A license fee of \$1,500 is required for businesses to provide substance abuse marketing services in the state.	2017		General Inspection Trust Fund

## INSPECTION LICENSES AND FEES

Solicitation of Contributions Fees	The Department collects registration fees from charitable organizations, ranging from \$10 to \$400, depending on the amount of contributions received by the organization for the last fiscal year.	1991	1994	General Inspection Trust Fund
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In 2009, Chapter 2009-66, L.O.F. (SB 1744), transferred the regulation and licensing of the surveyors and mappers profession from the Department of Business and Professional Regulation to the Department of Agriculture and Consumer Services (DACS). In that same law, effective retroactively to January 1, 2009, a supplemental biennial registration fee for each registered brand of pesticide was added to defray the expenses of the department for testing pesticides for food safety. Each registration issued to a registrant in an odd numbered year is assessed a supplemental fee of \$630 per brand and in an even numbered year is assessed a supplemental fee of \$315 per brand. Also, ss. 531.60-531.66, F.S., were established to permit requirements and fees for weighing and measuring devices used for commercial purposes. The various fees for instruments and devices range from \$60-\$300 for weighing devices of up to and including 100- pound capacity, \$200-\$1,000 for devices weighing greater than 100-pound capacity including wheel load weighers, static railroad track scales, and in-motion railroad track scales, and \$50-\$500 for mass flow meters, volumetric flow meters, tanks used as measuring containers, taximeters, grain moisture meters, and multiple-dimension measuring devices. Additionally, the annual fee for specialty fertilizer was revised to \$200 for each specialty fertilizer brand registration by an applicant. Also, the annual registration fee for seed dealers was doubled, now ranging from \$100-\$4,600 based on various levels of gross receipts from the sale of seeds per place of business.

In 2013, Chapter 2013-251, L.O.F. (HB 7023), transferred the collection of motor fuel inspection fees to the Department of Revenue and eliminated the fees on kerosene and #1 oil. The funds continue to be deposited into the General Inspection Trust Fund.

In 2014, Chapter 2014-150, L.O.F. (HB 7091) created two new tiers of annual registration fees for seed dealers with prior year seed sales of less than \$2,500. For dealers with receipts of less than \$2,500 but greater than or equal to \$1,000, the fee remains at \$100. For dealers with receipts less than \$1,000 but greater than or equal to \$500, the new fee is \$25. If receipts are less than \$500 the new fee is \$10.

In 2016, Chapter 2016-61, L.O.F. (HB 7007) made numerous changes to the fees regulated by DACS, including the following:

- Created s. 500.90, F.S., to preempt to DACS the regulation of the use or sale of polystyrene products (i.e., Styrofoam) by entities regulated by ch. 500, F.S., the Florida Food Safety Act. Currently, there are no fees associated with this law change.
- Created s. 580.0365, F.S., to preempt to DACS the regulatory authority for commercial feed and feedstuff. Currently, there are no fees impacted by this law change.
- Created new penalties and administrative fines for anyone who releases a plant pest without a special permit. The fees are associated with reasonable costs and expenses for a plant pest control or eradication program.

In 2016, Chapter 2016-166, L.O.F. (SB 772) made modifications to several licensing and consumer service activities under the jurisdiction of DACS, including the following:

- Provided for the waiver of certain application, license, and registration fees for honorably discharged veterans and in some cases their spouses.



## INSPECTION LICENSES AND FEES

- Removed the permit fee for facilities operating as a charitable entity that have amusement rides that are not open to the general public and do not allow for day rates.
- Clarified several fees and standards related to weights and measures in chs. 527 & 531, F.S.
- Removed “personal trainers,” “tour guides,” and “tour guide services” from regulation.

In 2017, Chapter 2017-85, L.O.F. (HB 467) made modifications to several licensing and consumer service activities under the jurisdiction of DACS, including the following:

- Removed the requirement to obtain multiple licenses for private investigative agency managers that manage multiple locations.
- Removed the requirement to register a cattle mark or brand.
- Exempted dealers in agricultural products who pay by credit card from certain regulations.
- Excluded taximeters from permitting requirements.

In 2017, the Legislature also passed legislation to eliminate the supplemental fee for each registered brand of pesticide that contains an active ingredient for which the United States Environmental Protection Agency has established a food tolerance limit (Ch. 2017-158, L.O.F. (HB 5401)). In addition, the Legislature created the requirement for entities providing substance abuse marketing services to be licensed by DACS under the Florida Telemarketing Act (Ch. 2017-173, L.O.F. (HB 807)).

In 2018, Chapter 2018-84, L.O.F. (SB 740) extended the repeal date for the weights and measures program which is funded through permit fees from July 1, 2020, to July 1, 2025. Chapter 2018-7, L.O.F. (HB 29) eased professional licensing fees and requirements for certain military members, veterans, and their spouses by creating or expanding fee waivers for certain DACS licensees and applicants.

In 2020, Chapter 2020-141, L.O.F. (HB 1275) clarified DACS authority to establish by rule fees to cover the costs and expenditures associated with the fair rides inspection program, and the requirement that the industry pay the remaining cost of the program if there is not sufficient General Revenue appropriated by the Legislature. The bill also broadened DACS’s rulemaking authority to establish certain exemptions. Further, the bill removed the exemption for museums and other exhibition related institutions, thereby requiring these institutions to comply with applicable licensing and permitting requirements, including being subject to fees and fines.

### OTHER STATES:

All states engage in some form of regulation and inspection of agricultural commodities.

## INSURANCE LICENSE FEES

FLORIDA STATUTES: Sections 624.501 - 624.506, 624.521, and 624.523

ADMINISTERED BY: Department of Financial Services

### SUMMARY:

Each insurance company and insurance agent must be licensed to sell insurance in Florida. Insurance companies pay an annual license fee of \$1,000, while resident insurance agents pay a biennial state license fee of \$12, an appointment fee of \$42, and a county license fee of \$6.

### REVENUE:

Fiscal Year	Collections	Annual Change %	Insurance Fees	Agents County Tax Trust Fund
2026-27*	127,587,507	0.00%	108,645,444	9,406,257
2025-26*	127,587,507	8.00%	108,645,444	9,406,257
2024-25	117,780,998	7.73%	104,765,024	9,083,742
2023-24	109,013,230	1.55%	97,128,942	8,380,086
2022-23	107,340,562	5.88%	95,877,753	7,961,391
2021-22	101,213,996	9.66%	90,327,404	7,278,819
2020-21	91,888,157	14.46%	81,834,056	6,947,028

\* Estimate

### HISTORY:

As far back as 1887, most insurers were required to be licensed in Florida. In 1903, a \$5 state license tax was imposed on agents and was increased in 1925 and 1982. In 1959, an additional county license tax of \$3 for each agent or solicitor was created and increased to \$6 in 1982. Additional state and county license fees for title insurance agents and limited surety agents were imposed in 1985. In 1989, an annual administrative surcharge of \$200 was imposed on all licensed title insurance agents. The \$7.50 service fee was increased to \$15. In 1992, the fee for filing application for original or modified certificate of authority of insurer was increased from \$25 to \$1,500 and the annual license tax of each insurer was increased from \$200 to \$1,000. All appointment fees were increased by \$20.

### BASE AND RATE:

Each insurer company: \$1,000 annually.

Each resident property, casualty, marine, surety, life, health, title, and limited lines insurance agent pays a \$60 biennial license fee (\$42 appointment fee, \$12 state license fee, and \$6 county license tax). Each non-resident insurance agent and all adjusters, whether resident or non-resident, pay a \$60 biennial appointment fee. Non-resident agents pay a \$6 biennial county license tax for each county in which he or she transacts insurance. Each title insurer and title insurance agency pays an annual \$200 administrative surcharge to be deposited in the Insurance Regulatory Trust Fund.

### DISPOSITION:

Insurance Regulatory Trust Fund: All "state tax" portions (\$12) of the agents' licenses are collected to fund the administrative costs of the Division of Insurance Fraud. The \$42 appointment fee is also deposited in the Insurance Regulatory Trust Fund.

General Revenue Fund: Residual of all "state tax" portions of agents' license fee collections remaining after the administrative distribution to the Insurance Regulatory Trust Fund. There has been no residual to the General Revenue Fund since 1992-93.

## INSURANCE LICENSE FEES

Agents County Tax Trust Fund: "County tax" portion of license fees.

### OTHER STATES:

All states regulate insurance companies and agents. Fees or taxes imposed vary considerably from state to state. In some instances, they may be credited against premium taxes.

## INSURANCE PREMIUM TAX

FLORIDA STATUTES: Sections 624.509 - 624.519, 624.4625, and 252.372

ADMINISTERED BY: Department of Revenue and Department of Financial Services

### SUMMARY:

Taxes are imposed on insurance premiums and paid by insurance companies at the following rates: 1.75 percent on gross premiums minus reinsurance and return premiums; 1 percent on annuity premiums; and 1.6 percent on self-insurers.

### REVENUE:

Receipts			Transfers**	Distributions**		
Fiscal Year	Collections	Annual Change %	Police & Firefighters Premium Tax Trust Fund	General Revenue	Insurance Regulatory Trust Fund	Emergency Mangement Preparedness & Assistance Trust Fund
2026-27*	1,961,300,000	63.39%	372,800,000	1,509,100,000	73,700,000	17,300,000
2025-26*	1,200,400,000	-20.24%	359,200,000	771,400,000	28,700,000	17,300,000
2024-25	1,504,961,972	3.39%	331,230,432	1,084,000,000	63,461,239	17,852,148
2023-24	1,455,638,890	5.15%	346,502,957	1,048,300,000	62,112,515	16,721,002
2022-23	1,384,341,261	19.26%	291,900,000	1,049,500,000	56,700,811	16,488,606
2021-22	1,160,732,836	5.21%	221,500,000	792,300,000	44,930,812	16,215,452
2020-21	1,103,304,287	23.45%	206,032,814	750,300,000	38,679,939	15,304,816

\* Estimate

\*\* Transfers and Distributions do not equal collections since some years are lagged into different fiscal years.

### HISTORY:

Adoption of a revised insurance code in 1959 carried forward previous tax arrangements which fully exempted domestic companies and partially exempted foreign companies maintaining regional home offices in Florida. In 1982, a credit was authorized against the premium tax on the emergency excise tax paid to Florida. The 1986 Legislature created the "Tort Reform and Insurance Act," which provided significant reform to the insurance law. In 1988, legislation removed statutory distinctions between domestic, regional home office, and foreign insurance companies, subjecting all insurance companies to a 2 percent premium tax. A new salary tax credit equal to 15 percent of the amount paid by the insurer in salaries to non-licensed employees was authorized with a cap on the combined sum of the salary credit and the corporate income tax credit of 75 percent of total premium tax liability. In 1989, the premium tax rate was reduced from 2 percent to 1.75 percent and the cap on the combined salary and corporate income tax credit was lowered from 75 percent to 65 percent. The 100 percent exclusion from considering the salary credit when calculating retaliatory taxes was reduced to 80 percent exclusion. Also, the distribution of retaliatory taxes was changed with not more than 10 percent going to the Insurance Commissioner's Regulatory Trust Fund and the remainder into the General Revenue Fund. Annual tax credits for the Florida Insurance Guaranty Association (FIGA) and Florida Life and Health Insurance Guaranty Association (FLAHIGA) assessments were reduced from 5 percent to 0.1 percent and totally eliminated after three years. Insurance premium taxes levied on "multiple-employer welfare arrangement" benefit plans were repealed. In 1991, refund payments were authorized to be made in the year following over-payment of premium taxes, and such payments must be made out of the General Revenue Fund.

## INSURANCE PREMIUM TAX

After Hurricane Andrew in 1992, the 1993 Legislature imposed an annual \$2 surcharge on every homeowner's, mobile homeowner's, tenant homeowner's, and condominium unit owner's policy and an annual \$4 surcharge on every commercial fire, commercial multiple peril, and business owner's property insurance policy. All proceeds from this surcharge are deposited into the Emergency Management, Preparedness, and Assistance Trust Fund. In 1994, the community contribution tax credit was extended from June 30, 1994, to June 30, 2005, but was restricted to projects within enterprise zones or benefiting low-income housing. The allowable annual contribution amount was reduced from a total of \$3 million annually to \$2 million annually. Beginning with the 1995 tax year, municipal pension assessments were transferred to the Department of Management Services (now the Department of Financial Services) for distribution to local governments. The 1996 Legislature once again allowed the FLAHIGA assessment credit against premium taxes paid.

Beginning with the 1997 tax year, companies are allowed to take a credit of 0.1 percent of their FLAHIGA assessments paid prior to the 1997 tax year plus a credit of 5.0 percent of assessments paid after the 1996 tax year. These percentage credits may be taken in each year following the payment of the assessment until the full assessment amount has been credited. In 1998, the community contribution tax credit cap was raised to \$5 million and raised again to \$10 million in 1999. The 2000 tax year introduced many changes in available tax credits. Insurance companies became exempt from the recurring intangibles tax, which meant intangibles tax credit was no longer available. An investment in Capital Companies (CAPCO'S) provided a tax credit limited to \$15 million for all companies per year. Investments in approved projects under s. 220.19(2) F.S., the Capital Investment Tax Credit, became available against the insurance premium tax. The Child Care Credit under s. 624.5107, F.S., also became available to insurance companies to take against their premium taxes or corporate income taxes.

The 2004 Legislature passed four laws which impacted the insurance premium tax. Chapter 2004-27, L.O.F. (SB 2488), increased the potential one-year Florida Hurricane Catastrophe Fund (FHCF) assessment from 4 percent to 6 percent. The FHCF multiple years' aggregate assessment limit was also raised from 6 percent to 10 percent. This law also provided for an emergency assessment exemption from the insurance premium tax. Chapter 2004-370, L.O.F. (SB 2038), eliminated a \$10 fee required under s. 627.849, F.S., to file forms with the Department of Financial Services regarding insurance premium finance companies. This law and Chapter 2004-390, L.O.F. (SB 2994), provided that any local government workers' compensation self-insurance fund created after October 1, 2004, is subject to the requirements placed on a commercial fund for five years and must pay the insurance premium tax. Chapter 2004-266, L.O.F. (HB 1251), exempted the Florida Workers' Compensation Joint Underwriting Association from the premium tax and from paying assessments under ss. 440.49 and 440.51, F.S.

The 2005 Legislature passed Chapter 2005-280, L.O.F. (HB 1813) allowing foreign insurers to exclude the fraction of their salary tax credit when calculating retaliatory tax. This law also allows for mutual insurance holding companies meeting certain criteria to allocate the salaries of employees of a service company subsidiary among the insurance companies within the group that the employee services, although funding was vetoed. This law also provided that community contributions tax credits will not increase retaliatory tax owed by an insurer. Chapter 2005-94, L.O.F. (HB 105), exempted insurers domiciled outside the U.S. from the requirement that the insurer obtain a certificate of authority to operate from offices within Florida for transactions involving life and annuity contracts sold to non-residents of the United States. Chapter 2005-205, L.O.F. (HB 1159), provided that any municipality that has entered into an inter-local agreement to provide fire protection services to any other incorporated municipality may be eligible to receive the 1.85 percent excise tax reported for such other municipality. In order to be eligible to receive the premium taxes, the municipality providing the fire services must notify the Division of Retirement that it has entered into an inter-local agreement with another municipality. The municipality receiving the fire services is authorized to enact an ordinance levying the tax.

## INSURANCE PREMIUM TAX

Chapter 2006-55, L.O.F. (SB 2728), allowed certain salary credits to be transferred to a member of an affiliated group. Chapter 2009-97, L.O.F. (SB 538), adjusted the boundaries of a special fire district to include an area that has been annexed until the completion of the four-year period provided in s.171.093(4), F.S., or when a special fire district is providing services pursuant to an inter-local agreement. It also allowed any participating municipality that provides police protection services to other incorporated municipalities for 12 months or more, pursuant to an inter-local agreement, to receive 0.85 percent excise tax in the other incorporated municipality. Chapter 2009-108, L.O.F. (HB 453), permitted the scholarship tax credit to be taken against the insurance tax; this credit does not impact on the retaliatory tax under the insurance premium tax. Chapter 2009-50, L.O.F. (HB 485), created a credit for long-term debt security in low-income communities. The credit is capped at \$20 million per year. No credits are provided for the initial investment or the first anniversary of the initial investment. On the second anniversary of the investment, there is a 7 percent credit, and an 8 percent credit for each of the third, fourth, fifth, and sixth anniversaries. If a taxpayer's state tax liability is below the available tax credit, then the unused tax credit may be carried forward for future taxable years; however, all tax credits expire December 31, 2022. The tax credits are allocated on a first-come, first-serve basis.

Chapter 2010-49, L.O.F. (HB 159), amended s. 631.57, F.S., such that neither emergency assessments nor regular assessments of the FIGA will be part of premiums subject to the insurance premium tax. Chapter 2012-32, L.O.F. (HB 7087), increased the lifetime cap of New Market Credits from \$97.5 million to \$163.8 million, and the annual cap from \$20 million to \$33.6 million. Chapter 2013-42, L.O.F. (SB 406) increased the lifetime cap of New Market Credits from \$163.8 million to \$178.8 million, and the annual cap from \$33.6 million to \$36.6 million. Chapter 2014-38, L.O.F. (HB 5601) increased the lifetime cap of New Market Credits from \$178.8 million to \$216.34 million.

Chapter 2021-193, L.O.F. (HB 3) establishes the New Worlds Reading Initiative Tax Credit which can be taken against the Insurance Premium Tax. Chapter 2021-31, L.O.F. (HB 7061) establishes the Strong Families Tax Credit which can also be taken against the Insurance Premium Tax. Chapter 2023-17, L.O.F. (SB 102) allows the Live Local Program tax credits to be taken against the Insurance Premium Tax. Finally, Chapter 2024-158, L.O.F. (HB 7073) provided a temporary residential coverage reduction of 1.75% off the premium. This deduction applies to policies that provide coverage for a 12-month period with an effective date between October 1, 2024 and September 30, 2025.

### BASE AND RATE:

Premium Tax: Premium tax is applied to insurance premiums written in Florida at the following rates: gross property and casualty premiums less reinsurance and returned premiums, life premiums, accident and health premiums, and prepaid limited health premiums, 1.75 percent; commercial self-insurance, group self-insurance, medical malpractice self-insurance, and assessable mutual insurance, 1.6 percent; and annuities, 1 percent. Corporate income tax and the emergency excise tax paid to Florida are credited against premium tax liability. Exemptions are allowed on annuity premiums paid by annuity policy or contract holders in this state if the savings are passed on to the consumer. A credit is allowed against the premium tax equal to 15 percent of the amount paid by the insurer in salaries to employees located or based in Florida who are covered by unemployment compensation. This credit in combination with the corporate income tax credit may not exceed 65 percent of the tax due for the calendar year.

Credits are also allowed for the municipal pension fund taxes, certain community contributions, certain exempt finance corporate investments, and workers' compensation assessments.

Surcharge: \$2 surcharge imposed on every homeowner's, mobile homeowner's, tenant homeowner's, and condominium unit owner's policy; \$4 surcharge imposed on every commercial unit fire, commercial multiple perils, and business owner's property insurance policy, issued on or after May 1, 1993, pursuant to s. 252.372, F.S.

## INSURANCE PREMIUM TAX

### DISPOSITION:

Premium Tax: Assessments for Police and Firefighter pension funds are sent to the Department of Financial Services for distribution to local governments. Fire Marshal assessments, filing fees and \$125,000 annually, adjusted by the lesser of 20 percent or the growth in total retaliatory taxes, are deposited into the Insurance Regulatory Trust Fund. The remainder of the premium tax is deposited into General Revenue.

Surcharge: Emergency Management, Preparedness, and Assistance Trust Fund, which is administered by the Division of Emergency Management.

### OTHER STATES:

Premium taxes are imposed in most states and in the District of Columbia on one or more types of insurance companies, usually in the form of excise or privilege taxes. In many states, premium taxes are in lieu of other taxes, except local property taxes. Rates for domestic companies range from 0.4 percent to 4.265 percent, with the average rate for all states being around 2 percent. All insurance taxes are complicated by retaliatory taxes which nearly every state levies under some circumstances.

	<u>FY 2026-27</u> (millions)
VALUE OF RATE CHANGE:	
0.5 percentage point increase	\$730.4
VALUE OF CREDITS:	
New Worlds Reading Initiative Tax Credit (\$60m cap)	\$4.7
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas. (s. 624.51056)	
Corporate Income Credits Claimed (s. 624.509(4))	\$263.9
Florida Employee's Salary (s. 624.509(5))	\$630.2
Strong Families Credit (\$40m cap)	\$5.6
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas. (s. 624.51057)	
Live Local (\$100m cap) (s. 624.51058)	0.1
This credit may be taken against the Corporate Income Tax or Insurance Premiums Tax.	
Municipal Firefighter's Pension Fund (s. 175.141)	\$176.1
Municipal Police Officer's Retirement Fund (s. 185.12)	\$196.8
Capital Investment Tax Credit (s. 220.191 (2))	\$0.0
This credit may also be taken against Corporate Income Tax	
Scholarship Funding Organizations (\$1092.0m cap)	\$81.0
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes or Severance Taxes - Oil and Gas. (s. 624.51055)	
Workers' Compensation Assessments Credit (s. 440.51)	\$33.8
VALUE OF DEDUCTIONS:	
Florida Life and Health Insurance Guarantee Association Assessment (s. 631.711)	\$20.0
VALUE OF EXEMPTIONS:	
Annuity premiums (s. 624.509(8)) – exempt from 1 percent tax when savings are passed on to policy holders	\$349.5

# INSURANCE SURPLUS LINES AND INDEPENDENTLY PROCURED INSURANCE TAX

FLORIDA STATUTES: Sections 626.932 and 626.938

ADMINISTERED BY: Department of Financial Services

## SUMMARY:

Taxes are imposed on surplus lines premiums and independently procured coverage at 4.94 percent and paid by surplus lines companies.

## REVENUE:

Receipts			Distributions	
Fiscal Year	Total Collections	Annual Change %	General Revenue	Insurance Regulatory Trust Fund
2026-27*	906,700,000	5.00%	826,900,000	79,800,000
2025-26*	863,500,000	5.39%	787,500,000	76,000,000
2024-25	819,300,000	8.06%	747,197,686	72,102,314
2023-24	758,205,167	24.55%	691,505,167	66,700,000
2022-23	608,754,923	26.63%	555,154,923	53,600,000
2021-22	480,720,114	27.53%	438,416,744	42,303,370
2020-21	376,952,992	16.14%	344,833,221	32,119,771

\* Estimate

## HISTORY:

Before 1990, the tax on surplus lines and independently procured insurance was levied at 3 percent. In 1990, this tax was raised to 5 percent. In 2020, the surplus lines tax was reduced to 4.94 percent.

Chapter 2003-395, L.O.F. (HB 1059), changed the distribution of the tax on surplus lines and independently procured coverage from 55 percent to the Insurance Regulatory Trust Fund and 45 percent to the General Revenue Fund to 24.3 percent to the Insurance Regulatory Trust Fund and 75.7 percent to General Revenue. Chapter 2004-27, L.O.F. (SB 2488), made surplus lines insurance policies subject to Florida Hurricane Catastrophe Fund assessments. Chapter 2008-132, L.O.F. (HB 5043), changed the distribution of the Surplus Lines Tax between the General Revenue Fund and the Insurance Regulatory Trust Fund by increasing the percentage deposited into the General Revenue Fund, from 75.7 percent to 84.26 percent. The remainder is deposited into the Insurance Regulatory Trust Fund. Chapter 2009-70, L.O.F. (SB 1758), redirected 100 percent of the Surplus Lines Tax, Independent Procured Coverage Tax, and Risk Retention Group Tax to the General Revenue Fund. The redistribution of 100 percent of tax proceeds to General Revenue expired July 1, 2014, and in Fiscal Year 2014-15, the distribution of tax proceeds changed to the distribution mechanism specified in Chapter 2014-60, L.O.F. (HB 5403), (i.e., 8.8 percent to the Insurance Regulatory Trust Fund and 91.2 percent to the General Revenue Fund).

Chapter 2011-46, L.O.F. (SB 1816), authorized the Department of Financial Services and the Office of Insurance Regulation to enter into a cooperative reciprocal agreement with other states to collect and allocate non-admitted insurance taxes for multistate policies pursuant to the NRRA. It also changed the tax base from the portion of the premium that is properly allocable to risks located in Florida to the entire gross premium if Florida is the insured's "home state" as defined in the Nonadmitted and Reinsurance Reform Act (NRRA) of 2010 (passed by the 111<sup>th</sup> U.S. Congress).

Chapter 2020-10, L.O.F. (HB 7097), modified the existing 5.0 percent rate to 4.94 percent. Additionally, surplus line policies with partial exposure in this state and Florida as the home state are to be taxed in



## **INSURANCE SURPLUS LINES AND INDEPENDENTLY PROCURED INSURANCE TAX**

accordance with F.S. 626.932(1) – eliminating the variable rate linked to the location of the risk exposure. The bill also required the agent to report the total premium for the risk that is located in this state and the total premium for the risk that is outside this state to the Florida Surplus Lines Service Office in the manner and form directed by the Office.

### **BASE AND RATE:**

Surplus lines and independently procured insurance: 4.94 percent.

### **DISPOSITION:**

From Fiscal Year 2009-10 through Fiscal Year 2013-14, the tax on surplus lines and independently procured coverage was distributed 100 percent to the General Revenue Fund. Starting July 1, 2014, the tax proceeds are distributed 8.8 percent to the Insurance Regulatory Trust Fund and 91.2 percent to the General Revenue Fund.

### **OTHER STATES:**

Surplus lines premium and independently procured coverage taxes are imposed in most states. Taxes imposed vary considerably from state to state, with a range from 1 percent to 6 percent.

## INTANGIBLES TAX

FLORIDA STATUTES: Chapter 199, Section 196.199(2)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The Florida Constitution prohibits the state from levying property tax on real estate or tangible personal property but allows a state tax on intangible personal property. The maximum rate allowed is 2 mills (1 mill = .1 cent or \$.001; also expressed as \$1 per \$1,000 or .1 percent). All other taxes based on property value are reserved for local governments. Obligations secured by liens on Florida realty are taxed at 2 mills at the time they are recorded, and revenue from this source goes to the General Revenue Fund. Leasehold interests in property owned by certain governmental units but used by nongovernmental lessees are taxed as intangible personal property if the lessee does not serve or perform a governmental or municipal function or public purpose. Revenue from the tax on leasehold interests is distributed directly to local school boards.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Obligations Secured by Liens on Florida Realty	General Revenue Distribution
2026-27*	529,500,000	2.68%	529,500,000	529,500,000
2025-26*	515,700,000	2.55%	515,700,000	515,700,000
2024-25	502,870,591	13.15%	502,870,591	502,870,591
2023-24	444,415,584	-15.45%	444,415,584	444,415,584
2022-23	525,637,706	-38.02%	525,637,706	525,637,706
2021-22	848,018,090	20.88%	848,018,090	848,018,090
2020-21	701,556,369	42.32%	701,556,369	701,556,369

\* Estimate

### HISTORY:

Prior to 1924, there was no constitutional distinction between intangible property and other property, and all property was subject to ad valorem taxation. The Florida Constitution was amended in 1924 to allow a special tax rate for intangible property, and in 1931 this provision was enacted into law. The 2 mill tax was assessed and collected at the county level, and was deposited in the state's General Revenue Fund. In 1941 intangibles tax revenue was used to fund county tax assessors and collectors, and revenue not needed for these purposes was divided between General Revenue (75 percent) and the county where collected (25 percent). Tax rates were changed to 1 mill on stocks and bonds, 3 mills on mortgages, and 1/20 mill on money.

In 1951, the tax rate on mortgages was reduced to 2 mills and in 1955 the disposition of intangibles tax revenue was changed to pay for retirement of state and county officers and employees, with the balance going to General Revenue. In 1957, the tax on stocks and bonds was raised to 2 mills. In 1961, the Legislature passed a two-year phased reduction to 1 mill.

In 1967, 55 percent of net collections was shared with counties where the revenues were collected. The Department of Revenue began assessing and collecting the tax in 1971 and the tax on money was repealed. The Revenue Sharing Act of 1972 (Chapter 72-360, L.O.F., (SB 2-F)) channeled the counties' 55 percent share through a revenue-sharing formula. In 1974, a \$20,000 exemption against the annual tax was created for each taxpayer and spouse.

## INTANGIBLES TAX

Several changes were made to the intangibles tax in 1990. The annual tax rate was increased from 1 mill to 1.5 mills. An additional exemption entitled natural persons to exempt the first \$100,000 from the 0.5 mill increase. The tax base was broadened to include interests in limited partnerships registered with the SEC. Charitable trusts that distribute 95 percent of their income to organizations exempt from federal income tax under s. 501(c)(3) of the I.R.C. were made exempt from the additional 0.5 mill levy. The credit that banks can take against the corporate income tax for intangible taxes paid was raised from 40 percent to 65 percent of corporate taxes due and banks were guaranteed the higher of this credit or a credit equal to 33 percent of their intangible tax liability. The distribution was changed in 1990 from 55 percent to 41.3 percent to the Revenue Sharing Trust Fund for Counties and from 45 percent to 58.7 percent to the General Revenue Fund.

In 1992, the tax on intangible personal property was increased from 1.5 mills to 2 mills. Banks and savings associations were made exempt from 0.5 mill. The exemption of the first \$100,000 for individuals and \$200,000 per couple and the exemption for charitable trusts applied to the additional 0.5 mill increase. The intangibles tax distribution was changed from 41.3 percent to 33.5 percent to the Revenue Sharing Trust Fund for Counties and from 58.7 percent to 66.5 percent to the General Revenue Fund.

In 1998, the Legislature made several significant changes to the intangibles tax: the minimum amount of tax due before a return and payment is required was raised from \$5 to \$60 dollars; one-third of accounts receivable was exempted from the intangibles tax beginning January 1, 1999, and the act expressed the intent of the Legislature to increase the exempt amount to two-thirds on January 1, 2000, and to completely exempt accounts receivable on January 1, 2001. The penalties for late payment and late filing were limited to a total of 10 percent per month and 50 percent of the total tax due. The penalty for under reporting and undervaluation was reduced from 30 percent to 10 percent; and banks, savings associations, as defined in s. 220.62, F.S., and insurers, as defined in s. 624.03, F.S., were exempted from intangibles tax. The distribution rate was changed to 35.3 percent for the Revenue Sharing Trust Fund for Counties for Fiscal Year 1998-1999 and to 37.7 percent for Fiscal Year 1999-00. (Chapter 98-132, L.O.F. (HB 1450)).

In 1999, the Legislature reduced the annual tax on intangible assets to a 1.5 mill tax rate and increased the exemption for accounts receivable to two-thirds. The law also provided that limited liability companies may file consolidated intangibles tax returns. Certain charitable trusts were fully exempted from the annual tax, the calculation of tax on future advances was changed, and an exemption for unit investment trusts was provided (Chapter 99-242 (SB 318) and Chapter 99-274, L.O. F. (SB 2496)). The next year, Chapter 2000-173, L.O.F. (HB 67/187), reduced the annual tax rate to 1 mill and fully exempted accounts receivable from the tax. It revised the treatment of Florida trusts, relieving Florida trustees of paying intangibles tax on trust assets and provided that a Florida resident with a beneficial interest in a trust is responsible for reporting his or her share of trust assets and paying intangibles tax on it. The law also repealed the distribution of intangibles tax to counties and replaced the revenue with a sales tax distribution.

Chapter 2001-225, L.O.F. (HB 21), increased the exemption against the annual tax to \$250,000 for each natural taxpayer or \$500,000 for husband and wife filing jointly, and created a \$250,000 exemption for all other taxpayers, mainly businesses. However, these changes were postponed until the 2004 tax year during Special Session C in December 2001. Chapter 2004-234, L.O.F. (SB 2644), provided that all proceeds of the intangibles tax are deposited in the General Revenue Fund, except for revenue collected pursuant to the tax on governmental leaseholds, which is returned to the local school boards in the counties where the leasehold property is located. In 2005, the Legislature reduced the annual tax on intangible assets from 1 mill to 0.5 mill. Chapter 2006-312, L.O.F. (HB 209), repealed the annual tax on intangible personal property, effective January 1, 2007. The non-recurring tax imposed upon obligations secured by liens on Florida property and the 0.5 mill annual tax imposed on government leaseholds were not affected by this repeal.

## INTANGIBLES TAX

Chapter 2012-32, L.O.F. (HB 7087), exempted governmental leaseholds from intangibles tax when the lessee serves or performs a governmental, municipal, or public purpose or function.

Chapter 2023-157, L.O.F. (HB 7063), specified that when the principal balance of a note or mortgage is increased, which note or mortgage is part of an interim loan for purposes of debenture guarantee funding upon which documentary stamp tax has previously been paid and the Small Business Administration is the obligee or mortgagee, additional tax is owed only on the increased amount above the current principal balance.

### BASE AND RATE:

A 2 mill one-time tax is imposed on obligations for the payment of money secured by liens on Florida real property. An annual 0.5 mill tax is imposed on non-exempt governmental leaseholds.

### DISPOSITION:

All intangibles tax revenue is deposited into the General Revenue Fund, except for revenue collected pursuant to the tax on governmental leaseholds, which is returned to the local school boards in the counties where the leasehold property is located.

### OTHER STATES:

Alabama, Kentucky, Louisiana, Mississippi, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, and Wyoming impose limited state or local taxes on certain intangible assets or dealers of intangible assets. Property subject to tax in these states may be different from property subject to tax in Florida.

	<u>2026-27</u> (Millions)
VALUE OF RATE CHANGE:	
Value of .5 mill levy on stocks, bonds, notes, etc.*	\$709.13
Value of 1 mill levy on liens secured by Florida realty*	\$264.75

### VALUE OF EXEMPTIONS and DIFFERENTIALS:

Exemption for credit unions from state and local taxes (s. 213.12(2), F.S.)	Indeterminate
Exemption for property owned by the state or by religious, educational, or charitable institutions (s. 199.183, F.S.)	Indeterminate
Small Business Administration "504" Loans (s. 199.145, F.S.)	Insignificant

### VALUE OF REFUNDS AND ALLOWANCES:

Clerk of Circuit Court Commission (0.5 percent) (s. 199.135(3), F.S.)	\$2.6
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### DISTRIBUTION TO SCHOOL BOARDS

Government leasehold collections (s. 199.292(1), F.S.)	\$0.8
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\* Article VII, section 2 of the Florida Constitution states that the tax rate for both the recurring and non-recurring tax on intangible personal property cannot exceed 2 mills.

## INTERGOVERNMENTAL AID

FLORIDA STATUTES: 215.32(2)(b)

ADMINISTERED BY: Various agencies

### SUMMARY:

Approximately 31 percent of total direct revenue received by the state in Fiscal Year 2024-25 was federally funded. Health and Human Services grants make up the majority of this funding and are located in the following agencies/departments: Children and Families, Health, Agency for Health Care Administration, and the Agency for Persons with Disabilities.

### REVENUE:

Fiscal Year	Collections	Annual Change %	Federal Grants	County and City Grants	Other Assistance and Donations Grants
2026-27*	38,592,225,171	2.38%	38,300,558,569	98,742,227	192,924,375
2025-26*	37,694,134,763	2.59%	37,406,275,959	97,453,117	190,405,688
2024-25	36,742,634,439	-12.67%	35,365,186,474	96,280,335	1,281,167,630
2023-24	42,071,305,146	-3.52%	41,568,004,350	90,861,297	412,439,498
2022-23	43,604,096,890	4.85%	43,124,998,225	92,361,162	386,737,503
2021-22	41,588,698,043	-25.41%	39,840,830,452	121,945,108	1,625,922,482
2020-21	55,759,947,899	54.21%	54,509,917,827	129,359,235	1,120,670,837

\* Estimate

Note: Fiscal Year 2019-20 through Fiscal Year 2024-25 includes Federal Grants funding for various acts related to the Covid pandemic. Fiscal Year 2025-26 through Fiscal Year 2026-27 includes projected funds anticipated from the Congressional Infrastructure Investment and Jobs Act.

### HISTORY:

Intergovernmental Aid is a combination of three types of grant funding: County and city grants, federal government grants, and other assistance and donations grants. In FY 2024-25, Intergovernmental Aid made up 28.6 percent of total direct revenue to the state. From FY 1970-71 through FY 2024-25 this funding category averaged 26.4 percent of total direct revenue to the state with a 8.9 percent average annual growth rate.

Federal government grant funds are received from many different federal agencies for the purpose of providing support services to a variety of clients, supporting regulatory activities of the state's various departments, and for other such purposes as may be appropriate. The state's various agencies receive the funds through the federal government grant award process, either directly from the awarding federal agency or through transfers from another state agency. The grants are used for specific purposes in accordance with the directives of the grant.

The state receives county and city grant funds from Boards of County Commissioners, County Health Care Taxing Districts, County School Boards, and various other levels of county or city governments. These funds are generally provided to fund activities appropriate to the services being provided. In addition, the local governments may request that the state provide specific services and enter into agreements related to these specific services.

Other assistance and donations grants are received from various foundations and non-profit organizations for the purpose of providing specific services as directed by the grant or donation, and as matching funds for various services.

## **INTERGOVERNMENTAL AID**

### **BASE AND RATE:**

Various matching formulas or maintenance of effort requirements are program-specific. Matching funds required for federal aid may vary from zero to 100 percent.

### **DISPOSITION:**

Various Agency Trust Funds (earmarked accounts appropriate to the purpose of each type of aid received).

### **OTHER STATES:**

All states receive similar types of grant funding at a variety of levels. Federal government grant funding levels are generally guided by population statistics, programmatic considerations, or based on defined need.

# LOTTERY

FLORIDA STATUTES: Chapter 24

ADMINISTERED BY: Department of Lottery

## SUMMARY:

The Department of Lottery operates both instant ticket games and terminal games. In addition to ticket sales, a relatively small portion of Lottery proceeds is generated from interest earnings, terminal fees, retailer fees, and unclaimed prize money. After prizes and administrative expenses are paid from total collections, the remainder is deposited into the Educational Enhancement Trust Fund (EETF).

## REVENUE:

Fiscal Year	Ticket Sales/Other Income	Annual Change %	DOL Distributions to Educational Enhancement Trust Fund**
2026-27*	9,341,700,000	0.57%	2,169,600,000
2025-26*	9,288,600,000	1.33%	2,126,300,000
2024-25	9,166,400,000	-2.95%	2,168,000,000
2023-24	9,444,600,000	-3.79%	2,403,000,000
2022-23	9,816,900,000	5.16%	2,374,000,000
2021-22	9,335,200,000	2.69%	2,382,000,000
2020-21	9,091,000,000	20.80%	2,246,000,000

\* Estimate

\*\*Beginning in Fiscal Year 2012-13, estimates reflect actual cash transfers to the EETF, rather than weekly sales as previously estimated, because there is a delay in the transfer of weekly sales receipts to the EETF of up to two weeks.

## HISTORY:

In November 1986, voters approved an amendment to the Florida Constitution (Article X, Section 1) providing for a state-operated lottery. The Department of Lottery was created during the 1987 Regular Legislative Session, and the state lottery officially began selling tickets on January 12, 1988. Beginning July 1989, the allocation for education was increased from the original 35 percent to 37.5 percent and increased again to 38 percent in July 1990. During the 2002 Regular Session, the Legislature authorized the Department of Lottery to determine a variable percentage of revenue from instant tickets to return to players as prizes, removing the requirement that 38 percent of instant game sales be transferred to the EETF. In the following year, the Legislature increased the allocation for education from 38 percent to 39 percent for terminal games. However, in 2005, the terminal game prize and education allocations were made variable as well. The Lottery determines prize percentages that maximize education funding.

In 2003, the Legislature eliminated the \$180 million cap on money used from the EETF for bonding, and removed designated transfers going to the Classroom First program. During Special Session E, Chapter 2003-426, L.O.F. (HB 43-E), transferred \$30,147,947 of unclaimed lottery prize money to the EETF.

During the 2005 Regular Session, Chapter 2005-84, L.O.F. (HB 840) required 80 percent of unclaimed lottery prize money to be deposited in the EETF and the remaining 20 percent to be added to the pool for future prizes or special prize promotions. The bill also authorized the department to establish variable percentages for terminal games prize payouts and transfers to the EETF, as noted above.

Two bills related to the Lottery were passed during the 2006 and 2007 sessions. Chapter 2006-278, L.O.F. (HB 755), narrowed the standard of review for administrative law judges when considering protests of the

## LOTTERY

Lottery's competitive procurement actions. The Lottery expected this legislation to reduce agency costs over the long term. Chapter 2007-128, L.O.F. (SB 1376), added the authority to obtain patents to the Lottery's existing ability to hold copyrights, trademarks, and service marks.

The Legislature appropriated funds for Instant Ticket Vending Machines (ITVMs) during the 2009 and 2010 Legislative Sessions. Funds appropriated for the first year were sufficient to lease and install 1,000 ITVMs, primarily in the largest grocery chains in the state. Locations with ITVMs showed net gains in sales exceeding forecasted impacts in Fiscal Year 2009-10. During the 2010 Legislative Session, the Lottery was given a specific appropriation allowing the department to lease and install an additional 500 machines. Installation of these machines in additional grocery chain stores and selected, high-volume convenience stores was completed by January 2011.

Initially, lottery vending machines in Florida could dispense only instant tickets. However, in 2012, Chapter 2012-130, L.O.F. (HB 843), authorized the use of Full Service Vending Machines (FSVMs) in Florida which allows tickets for both instant and terminal games to be purchased at these machines. In Fiscal Year 2012-13 the Lottery was able to activate and place 500 FSVMs and to redeploy the ITVMs to new locations. As of December 2025, all the machines in the department's inventory function as FSVMs. In total, 3,000 of those machines are actively selling throughout the Florida Lottery's retailer network.

### BASE AND RATE:

Variable based on the game, but not established by statute. In Fiscal Year 2024-25, approximately 68.9 percent of Lottery ticket sales were spent on prizes, 6.06 percent on retailer compensation, 1.57 percent on vendor fees, and 1.2 percent on operational costs, leaving 22.3 percent for transfer to the EETF.

### DISPOSITION:

Total collections are distributed as follows: variable percentages, as determined by the department, of the gross revenue from the sale of terminal and instant lottery tickets are returned to Lottery players as prizes. The next portion of the proceeds is used to compensate the more than 13,500 Lottery retailers around the state that sold the tickets. A third portion of the proceeds is used for operational costs including payments to vendors, advertising and promotional expenses, and administrative expenses of the department. The spending authority for operating costs is appropriated through the legislative budget process. Revenues from ticket sales remaining after payment of prizes, retailer fees and department operating expenses are transferred to the EETF. Following an annual financial audit, any unencumbered balance which remains in the Operating Trust Fund at the end of each fiscal year is also transferred to the EETF.

### OTHER STATES:

Currently, 45 states and the District of Columbia are authorized to operate state lotteries. Forty-three of these states and the District of Columbia operate both instant ticket games and terminal games. North Dakota and Wyoming only operate terminal games. According to La Fleur's 2025 World Lottery Almanac, Florida ranked first in total traditional sales and seventh in per capita sales among U.S. lotteries. In regard to transfers to government, the Florida Lottery ranked second. For instant ticket sales, Florida was number two behind Texas.

### VALUE OF RATE CHANGE:

The Lottery has had the authority to vary the prize payout and EETF transfer rates since 2002 for instant games and since 2005 for terminal games. According to the Department of Lottery, prize payout and EETF transfer rates have been at or near their optimal levels for maximizing EETF since then, and further gains solely from rate changes are likely to be limited.

### VALUE OF REFUNDS AND ALLOWANCES:

The Lottery has a statewide network of 13,500 plus retailers selling lottery games and cashing winning tickets. These retailers are compensated for providing these services and for marketing lottery games through point-of-sale materials and special promotions. Up until Fiscal Year 2022-23, retailers received a 5 percent commission on ticket sales and a 1 percent cashing bonus on the value of prizes redeemed at



## LOTTERY

that retailer location; total commission was represented by a blended 5.6 percent rate of lottery sales, which intuitively meant that retailers only took advantage of the 1% cashing bonus 60% of the time. In Fiscal Year 2021-22, these commissions and cashing bonuses totaled \$522 million, which is consistent with 5.6 percent of ticket sales. In FY 2022-23, these retailer commissions were increased to 5.75% which totaled approximately \$570 million. In FY 2023-24, the commission rate increased to 6% and the end of year commissions totaled \$571 million. In FY 2024-25, the retailer commission rate was 6% and the preliminary end of year commissions totaled \$553 million. In FY 2025-26 the projected commission rate is 6%. The projected retailer commissions based on the projected ticket sales of \$9.3 billion is anticipated to be \$558 million.

In addition, the Lottery is authorized to spend money on retailer incentives aimed at encouraging greater sales. Typically, the launch of a new or especially important game or promotion is accompanied by a retailer incentive, for example, paying a higher sales commission for the new product for a limited time. The Lottery is appropriated a fixed amount of \$2.325 million to spend on such incentive programs.

## MOTOR FUEL & DIESEL FUEL TAXES

FLORIDA STATUTES: Chapter 206, Section 212.0501, F.S.

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Motor fuel and diesel fuel are subject to state taxation pursuant to Chapter 206, and s. 212.0501, F.S. For 2021, the combined state tax rate was 26.5 cents per gallon.

State taxes include:

Fuel Sales Tax (17.5 cents per gallon, indexed annually by the Consumer Price Index)

State Comprehensive Enhanced Transportation System (SCETS) Tax (9.7 cents per gallon, indexed annually by the Consumer Price Index)

Constitutional Fuel Tax (2 cents per gallon)

County Fuel Tax (1 cent per gallon)

Municipal Fuel Tax (1 cent per gallon)

Non-Highway Fuels (6 percent of the retail price)

Aviation Fuel (4.27 cents per gallon, certain carriers are eligible for a credit or refund of the tax)

(Federal and local option taxes are also levied on motor fuel and diesel fuel. Local option fuel taxes are described in section III, Major Local Government Revenue Sources)

### FUEL TAX REVENUE:

Fiscal Year	Total Collections**	Annual Change %	Chapter 206 & s. 212.0501	SCETS Tax
2026-27*	3,715,028,802	0.45	2,585,427,987	1,129,600,815
2025-26*	3,698,386,065	0.73	2,573,845,681	1,124,540,383
2024-25	3,671,583,505	4.34	2,555,192,774	1,116,390,731
2023-24	3,520,440,497	10.82	2,469,814,103	1,050,626,394
2022-23	3,173,196,768	15.13	2,190,116,317	988,360,209
2021-22	3,112,153,299	9.67	2,184,843,999	927,309,300
2020-21	2,837,651,387	0.72	1,993,764,250	843,887,138

Fiscal Year	Fuel Use Tax	Constitutional Fuel Tax	County Fuel Tax	Municipal Fuel Tax	Aviation Fuel Tax
2026-27*	2,455,733,921	281,779,893	142,980,758	143,098,648	0
2025-26*	2,444,732,625	280,517,564	142,340,227	142,457,589	21,730,917
2024-25	2,427,015,412	278,484,627	141,308,674	141,425,185	57,436,269
2023-24	2,315,684,986	278,519,666	141,413,467	141,499,427	59,176,243
2022-23	2,038,430,643	275,178,737	139,140,748	139,287,563	57,345,041
2021-22	2,026,516,187	273,010,767	138,753,516	138,813,435	63,016,624
2020-21	1,562,257,813	214,213,322	124,335,878	107,182,068	41,084,889

\* Estimate

## MOTOR FUEL & DIESEL FUEL TAXES

### DISTRIBUTION OF STATE TAXES ON MOTOR FUELS AND AVIATION FUEL

Fiscal Year	State Transportation Trust Fund	DOR Admin. Costs	Service Charges	Agriculture Emergency Eradication Trust Fund	Marine Resources Conservation Trust Fund
2026-27*	2,021,447,666	16,062,895	2,221,898	16,103,664	13,400,000
2025-26*	2,012,391,902	15,990,936	2,211,944	16,031,522	13,400,000
2024-25	1,997,807,905	15,875,048	2,195,914	15,915,340	13,400,000
2023-24	1,910,484,985	15,760,000	2,180,000	15,800,000	13,400,000
2022-23	1,658,238,727	15,180,000	2,360,000	13,500,000	13,400,000
2021-22	1,660,848,725	15,617,841	2,294,975	13,851,813	13,400,000
2020-21	1,495,648,378	15,547,995	1,117,878	12,275,623	13,400,000

Fiscal Year	SBA	Counties	Revenue Sharing Trust Fund for Municipalities
2026-27*	239,038,256	110,102,150	110,956,769
2025-26*	237,967,403	109,608,910	110,459,700
2024-25	236,242,830	108,814,564	109,659,188
2023-24	235,979,275	109,757,816	110,400,080
2022-23	233,648,816	108,532,198	109,094,354
2021-22	228,403,630	106,669,993	107,478,079
2020-21	212,857,629	93,754,961	94,769,053

\* Estimate

Allocation by Type of Fuel**				
Fiscal Year	Motor Fuel	Diesel Fuel	Off-Highway Fuel	Aviation
2026-27*	2,080,813,357	427,545,940	18,952,785	0
2025-26*	2,071,491,644	425,630,602	18,867,880	21,730,917
2024-25	2,056,479,345	422,546,016	18,731,143	57,436,269
2023-24	1,985,642,989	403,321,566	21,811,794	59,176,243
2022-23	1,751,384,538	357,775,608	25,918,264	57,345,041
2021-22	1,767,204,353	337,585,853	17,037,168	63,016,624
2020-21	1,612,676,268	330,531,612	9,471,481	41,084,889

\* Estimate

\*\* These figures represent gross collections and include refunds, service charges, administrative costs, and collection allowances. The totals by fuel type will not equal Total Collections due to penalties, interest, and other adjustments.

\*\*\* Fiscal year 2022-23 is reduced for the motor fuel tax holiday per Ch. 2022-97 s.47.

### HISTORY:

Florida began taxing gasoline in 1921. Starting with a rate of 1 cent per gallon, Florida had a series of rate increases until it was set at 7 cents in 1931. In 1939, similar taxation of special motor fuels was provided

## MOTOR FUEL & DIESEL FUEL TAXES

(Chapter 206, Part II, F.S.). The rate was increased to 8 cents per gallon in 1971. With enactment of Revenue Sharing in 1972, all 8<sup>th</sup> cent proceeds were allocated to cities through the Revenue Sharing Trust Fund. In 1980, a five-year exemption was granted from the first gas tax for gasohol and beginning July 1, 1980, to July 1983, gasohol was granted an exemption from the 7<sup>th</sup> cent tax. The legislation provided that the exemption would be reduced to only 2 cents of the first gas tax in 1985 and then would be totally removed in 1987. The Special Fuel Use Tax was created in 1980.

In 1983, the Legislature repealed the sales tax exemption on motor and special fuels and repealed the "First Gas Tax" of 4 cents per gallon. The 4 cents per gallon tax was replaced with a 5 percent sales tax on all motor and special fuels and aviation fuel sold in Florida. In 1984, the term "alternative fuels" was created to include fuels previously defined as "special fuels." Instead of being subject to the special fuels tax, these "alternative fuels" were made subject to fees as outlined in s. 206.87(7), F.S. The fees collected pursuant to s. 206.87(7), F.S., were deposited into the newly created State Alternative Fuel User Fee Clearing Trust Fund and the Local Alternative Fuel User Fee Clearing Trust Fund.

Aviation fuel was exempt from the state sales tax in 1985. Part III of Chapter 206, F.S., was created, which imposed an excise tax of 5.7 cents per gallon on aviation fuel and which exempted aviation fuel from the County Voted 1-cent Gas Tax, the County 1-6 cents Local Option Gas Tax, and the County 1-5 cents Local Option Motor Fuel Tax. All proceeds were deposited in the General Revenue Fund. In 1986, the proceeds from the aviation fuel tax, less service charges and refunds, were redirected for distribution to the State Transportation Trust Fund from the General Revenue Fund. Certain air carriers making an election pursuant to s. 212.0598, F.S., were authorized to use the apportionment formula in s. 212.0598, F.S., for their aviation fuel tax in 1988. The authorization was set to expire July 1, 1989, but was extended by the 1989 and 1990 Legislatures and was scheduled to expire July 1, 1991. In 1990, the sales tax on motor and special fuel was increased from 5 percent to 6 percent and annually adjusted by the change in the average of the Consumer Price Index. The excise tax on aviation fuel was increased from 5.7 cents per gallon to 6.9 cents per gallon. Effective January 1, 1991, the SCETS tax was enacted. The SCETS tax was levied on gasoline in each county levying a local option gas tax at a rate equal to two-thirds of the sum of the county's local option gas taxes, not to exceed 4 cents per gallon. The SCETS tax is annually adjusted by the average of the Consumer Price Index. The equalization of local option fuel taxes on diesel fuel was also adopted. Effective calendar year 1991, the local option tax rate on diesel cannot be lower than 4 cents per gallon; in 1992, 5 cents per gallon; and in 1993, 6 cents per gallon. Effective calendar year 1994, the local option tax rate on diesel fuel was 7 cents per gallon.

Chapter 94-146, L.O.F. (HB 1317), provided that beginning in Fiscal Year 1997-98, all fuel tax administrative costs incurred by the Department of Revenue would begin to be phased-in over a three-year period, so that by Fiscal Year 1999-00, administrative costs would be deducted proportionally from all fuel taxes, except the Constitutional gas tax.

In 1996, the motor and special fuel tax statutes were rewritten to conform to the federal diesel fuel dyed program. All of the motor and special fuel tax provisions found in Chapters 206, 212, and 336, F.S., were combined into Chapter 206, F.S. The major changes, which took effect July 1, 1996, were as follows: (1) changed the point of collection for state motor fuel and state and local diesel fuel tax from the wholesaler, special fuel dealer, importer, or retailer, to the terminal supplier; (2) changed the point of collection for local option motor fuel tax from the retailer to the wholesaler; (3) provided for the tax-free purchase of dyed diesel fuel by exempt users; and (4) imposed a 6 percent use tax on diesel fuel used for business purposes, upon which Chapter 206, F.S., fuel taxes have not been paid.

Chapter 96-323, L.O.F. (SB 330), provided for a five-year aviation fuel tax credit for air carriers offering transcontinental jet service who meet certain employment criteria. Also, kerosene was defined as aviation fuel and made subject to the 6.9 cents aviation fuel tax. Chapter 97-54, L.O.F. (HB 81), allowed owners of noncommercial vessels to purchase tax-exempt (dyed) diesel fuel provided that such fuel purchases were subject to the 6 percent general sales and use tax. Effective July 1, 1999, 0.65 percent of the fuel sales tax and the SCETS tax revenues on motor fuel are to be deposited into the Agricultural Emergency Eradication Trust Fund.

## MOTOR FUEL & DIESEL FUEL TAXES

Effective July 1, 1998, the \$1.5 million distribution of fuel tax revenues to the Board of Regents for the Center for Urban Transportation Research was repealed. Effective July 1, 1999, the distribution to the Invasive Plant Control Trust Fund was decreased from \$7.55 million to \$6.3 million; and the distribution to the Fish and Wildlife Conservation Commission was increased from \$1.25 million to \$2.5 million.

Effective July 1, 2000, the 7.3 percent General Revenue Service Charge was eliminated on the Fuel Tax Collection Trust Fund. The July 1, 2000, date affected motor fuel and special fuel taxes, fuel use taxes, and off-highway fuel taxes. Effective July 1, 2001, the 7.3 percent General Revenue Service Charge was eliminated on SCETS tax collections. Chapter 2000-266, L.O.F. (SB 772), provided that taxes paid on diesel fuel purchased in Florida and consumed by a qualified motor coach during idle time for the purpose of running climate control systems and maintaining electrical systems is subject to a refund. In 2002, the Legislature reinstated the aviation fuel tax exemption for certain air carriers, which expired July 1, 2001. The 2003 Legislature authorized that a portion of the moneys attributable to the sale of motor fuel and diesel fuel at marinas shall be transferred to the Marine Resources Conservation Trust Fund in the Fish and Wildlife Conservation Commission as follows: \$2.5 million in 2003-04; \$5.0 million in 2004-05; \$8.5 million in 2005-06; \$10.9 million in 2006-07; and \$13.4 million in 2007-08 and each fiscal year thereafter. The 2004 Legislature enacted the “Florida Motor Fuel Tax Relief Act of 2004.” For the month of August 2004, the “Fuel Sales Tax” on motor fuel was reduced by 8 cents a gallon. It was the intent of the Legislature that the 8 cent reduction be passed on to the consumer.

Effective July 1, 2007, a refund of the local option fuel tax, the SCETS tax, and the fuel sales tax was granted for any person who used motor fuel in the operation of aviation ground support vehicles or equipment that were not driven or operated on the public highways of Florida.

The 2022 Legislature enacted the “Motor Fuel Tax Relief Act of 2022” as a part of Ch. 2022-97 s. 47 L.O.F. which reduced the motor fuel sales tax, SCETS tax, municipal fuel tax, and county fuel tax rates to zero from October 1, 2022 through October 31, 2022.

The 2025 Legislature voted to repeal the 4.27-cent-per-gallon excise tax on aviation fuel effective January 1, 2026.

### BASE, RATE and DISPOSITION

Tax on Highway Fuels*	Statutory Authorization	Rate (2021)	Indexed	Disposition***
Fuel Sales Tax	ss. 206.41(1)(g), 206.87(1)(e), 206.606, 206.9955(2)(e), and 212.0501, F.S.	17.5 cents per gallon	yes	State Transportation Trust Fund
SCETS** Tax	206.41(1)(f), 206.608, 206.87(1)(d), and 206.9955(2)(d), F.S.	9.7 cents per gallon	yes	State Transportation Trust Fund, to be spent in the district where generated
Constitutional Fuel Tax	Art. XII, Sec. 9(c), Florida Constitution, ss. 206.41(1)(a), 206.45, 206.47, 336.023, and 336.024, F.S.	2 cents per gallon	no	Distributed by a formula to meet debt service requirements of local transportation bonds of each county; any surplus funds are distributed to the county.
County Fuel Tax	ss. 206.41(1) and 206.60, F.S.	1 cent per gallon	no	Distributed by a formula to each county.

## MOTOR FUEL & DIESEL FUEL TAXES

Municipal Fuel Tax	ss. 206.605(1) and 206.997, F.S.	1 cent per gallon	no	Municipal Revenue Sharing Trust Fund
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\*Non-highway fuels are taxed at 6% of the retail fuel price

\*\*State Comprehensive Enhanced Transportation System

\*\*\*Detailed information on the disposition of state fuel taxes is available in *Florida's Transportation Tax Sources, A Primer*, published by the Florida Department of Transportation and located at: (<https://www.fdot.gov/workprogram>)

Large privately-owned vehicles that engage in interstate operations are taxed on fuel use pursuant to the International Fuel Tax Agreement. The tax is calculated by multiplying the number of gallons consumed in this state by the prevailing statewide fuel tax rate of 37.0¢/gallon. Each vehicle must also pay \$4 for an identifying decal.

Aviation fuel was taxed at 6.9¢/gallon, pursuant to s. 206.9825, F.S. Certain carriers were eligible for a credit or refund of the tax. As of July 1, 2019, the tax rate dropped to 4.27¢/gallon which has since been eliminated. (Federal and local option taxes are also levied on motor fuel and diesel fuel. Local option fuel taxes are described in section III, Major Local Government Revenue Sources.)

### ALLOCATION FORMULAS:

Constitutional and county gas tax: area 25 percent; population 25 percent; collections 50 percent (see Article XII, Sec. 9(c)(4), Florida Constitution). Foregoing subject to debt service requirements established under earlier formula. (see Article IX, Sec. 16(a), Florida Constitution of 1885.)

### OTHER STATES:

All states tax motor fuel and diesel fuel. Both motor fuel and diesel fuel state tax rates vary from a low of 9.0 cents per motor fuel gallon (Alaska) to a high of 77.1 cents per diesel gallon (Pennsylvania).

2026-27  
(millions)

### VALUE OF RATE CHANGE:

Value of 1 cent levy per gallon of motor and diesel fuel (excludes off-highway use)	\$117.39
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Value of 1 cent levy per gallon on aviation fuel	\$13.45
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(Note: Gross proceeds before deductions, transfers and refunds)

### VALUE OF EXEMPTIONS:

Sales to U.S. Government (s.206.62, F.S.)	\$1.5
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Farmers and Fishermen (s. 206.874(3)(a) and (e), F.S.)	\$3.5
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### VALUE OF REFUNDS AND CREDITS:

Aviation Fuel Employment Refund (s. 206.9855, F.S.)	\$30.1
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Refunds to Counties (ss. 206.41(4)(d), 206.625(1), 206.874(4), F.S.)	\$2.6
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Refunds to Municipalities (ss. 206.41(4)(d), 206.625(1), 206.874(4), F.S.)	\$1.2
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Refunds to School Districts (ss. 206.41(4)(e), 206.625(2), 206.874(4), F.S.)	\$1.8
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Refunds for Farmers and Fishermen (ss. 206.41(4)(c), 206.64, F.S.)	\$1.9
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Refunds to Local Transit Systems (ss. 206.41(b), 206.874(5)(d), F.S.)	\$1.4
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Dealer Collection Allowances (ss. 206.43 and 206.91, F.S.)	\$5.5
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### VALUE OF DISTRIBUTIONS:

Aquatic Weed Control and Other Boating Related Activities (s. 206.606(1)(a) and (b), F.S.)	\$8.8
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Agricultural Emergency Eradication Trust Fund (ss. 206.606(1)(c) and 206.608(1), F.S.)	\$11.2
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Marine Resources Conservation Trust Fund (s. 206.606(1)(d), F.S.)	\$12.14
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DISTRIBUTION OF MOTOR FUEL AND DIESEL FUEL TAXES  
(Thousands of Dollars)

STATE SHARE OF SALES TAX ON FUEL

	2020-21		2021-22		2022-23		2023-24		2024-25	
	Motor	Diesel Fuel	Motor	Diesel Fuel	Motor	Diesel Fuel	Motor	Diesel Fuel	Motor	Diesel Fuel
Dept. of Transportation	1,218,849	276,800	1,342,897	290,492	1,321,220	337,019	1,551,815	358,670	1,620,019	377,789
Dept. of Env. Protection - Aquatic Weed Control	5,242	1,038	5,126	1,174	5,183	319,410	5,065	338,064	5,181	353,485
Fish and Wildlife Conservation Commission	13,230	2,670	12,937	2,963	13,080	3,494	12,782	3,863	13,077	3,498
Agr. Emergency Eradication Trust Fund	8,095	0	8,904	0	8,764	0	10,270	0	10,718	-
Refunds - Agr. and Commercial Fish	100	0	204	0	67	0	130	0	160	-
Refunds - City Transit	118	635	98	520	89	521	73	405	118	1,256
Refunds - Municipal, County & School District	2,315	0	2,747	0	1,961	0	2,647	0	3,818	-
Refunds as Result of 1996 Fuel Tax Rewrite	9,739	11,887	14,166	18,260	9,539	9,503	12,004	11,616	14,868	14,011
Administrative Trust Fund	8,117	1,638	8,078	1,835	8,139	0	7,790	0	8,573	-
General Revenue Service Charge (8.0%)										
<b>TOTAL</b>	<b>1,265,804</b>	<b>294,688</b>	<b>1,395,155</b>	<b>315,243</b>	<b>1,368,040</b>	<b>669,947</b>	<b>1,602,576</b>	<b>712,619</b>	<b>1,676,532</b>	<b>750,039</b>

CONSTITUTIONAL FUEL TAX (2 Cents)

Counties and County Road Debt	175,547	37,310	189,181	40,866	191,926	41,723	193,130	42,850	193,609	42,634
Refunds as Result of 1996 Fuel Tax Rewrite	479	876	570	39,223	406	41,124	438	42,102	397	41,845
<b>TOTAL</b>	<b>176,027</b>	<b>38,187</b>	<b>189,751</b>	<b>80,089</b>	<b>192,332</b>	<b>82,847</b>	<b>193,568</b>	<b>84,952</b>	<b>194,006</b>	<b>84,478</b>

COUNTY FUEL TAX (1 Cent)

Administrative Trust Fund	529	102	518	16,124	510	18,435	508	18,841	478	18,622
Refunds - Municipalities, Counties and School Boards	161	146	188	1,411	130	1,612	163	1,647	227	1,627
Refunds as Result of 1996 Fuel Tax Rewrite	648	735	933	183	586	124	700	144	821	190
County Aid	78,211	15,544	84,097	20,460	86,165	22,367	86,588	23,170	85,981	22,834
General Revenue Service Charge (8.0%)	6,847	1,361	7,358	103	7,537	98	7,574	98	7,518	92
<b>TOTAL</b>	<b>86,397</b>	<b>17,888</b>	<b>93,095</b>	<b>38,281</b>	<b>94,928</b>	<b>42,635</b>	<b>95,532</b>	<b>43,901</b>	<b>95,025</b>	<b>43,365</b>

MUNICIPAL FUEL TAX (1 Cent)

Administrative Trust Fund	533	106	522	16,794	514	18,815	511	19,266	482	19,154
Revenue Sharing Trust Fund	78,757	16,013	84,891	20,551	86,680	22,415	87,200	23,200	86,777	22,882
Refunds - Farmers and Fishermen	3	0	2	1,470	1	1,645	1	1,684	1	1,674
Refunds as Result of 1996 Fuel Tax Rewrite	239	436	284	0	202	0	219	0	197	-
General Revenue Service Charge (8.0%)	6,895	1,402	7,427	106	7,582	102	7,627	101	7,588	95
<b>TOTAL</b>	<b>86,426</b>	<b>17,957</b>	<b>93,127</b>	<b>38,921</b>	<b>94,979</b>	<b>42,977</b>	<b>95,559</b>	<b>44,251</b>	<b>95,045</b>	<b>43,805</b>

<b>TOTAL - Motor &amp; Diesel Fuel</b>	<b>1,614,654</b>	<b>368,720</b>	<b>1,771,129</b>	<b>472,534</b>	<b>1,750,279</b>	<b>838,406</b>	<b>1,987,235</b>	<b>885,723</b>	<b>2,060,608</b>	<b>921,688</b>
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TOTAL: Fuel Tax Distribution	1,983,374		2,243,663		2,588,684		2,872,958		2,982,296	
Annual Change	1.74%		13.12%		15.38%		10.98%		3.81%	

## MOTOR VEHICLE AND MOBILE HOME LICENSES

FLORIDA STATUTES: Chapter 320

ADMINISTERED BY: Department of Highway Safety and Motor Vehicles

### SUMMARY:

Motor vehicles and mobile homes must register annually in Florida. License fees for private autos and light trucks range from \$14.50 to \$32.50 according to vehicle weight. License fees for truck tractors are based on gross vehicle weight and range from \$60.75 to \$1,322. Mobile home license fees range from \$20 to \$80 according to length and recreational vehicle license fees are \$27 to \$47.25 depending on vehicle type and weight.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	General Revenue	State Trust Fund	Other
2026-27*	1,608,331,223	1.30%	5,400,000	1,397,400,000	205,531,223
2025-26*	1,587,673,248	0.69%	5,300,000	1,381,200,000	201,173,248
2024-25	1,576,788,510	3.84%	5,841,867	1,375,083,905	195,862,738
2023-24	1,518,457,133	-0.65%	5,889,037	1,330,450,079	182,118,016
2022-23	1,528,338,299	2.44%	5,569,220	1,343,258,277	179,510,802
2021-22	1,491,869,310	3.82%	13,303,618	1,301,545,403	177,020,289
2020-21	1,436,963,103	9.23%	45,334,826	1,217,895,122	173,733,155

\* Estimate

### HISTORY:

Motor vehicle licensing began in 1905, with one-time registration. In 1917, annual registrations began. By constitutional amendment adopted in 1930, motor vehicles as property were exempted from personal property assessments. Major revisions to the law occurred in 1927, 1931, 1947, and 1975. Re-classification of vehicles was made in 1953, 1959, 1961, 1972, and 1975. In 1963, rates were increased substantially and a transition to fiscal year licensing rather than calendar year was begun. Constitutional earmarking of the amount required to meet fixed capital outlay allocations under the Minimum Foundation Program ("school tag fees") was approved in November 1952, and amended in 1964 and 1972. In 1965, by constitutional amendment, the following were added to the constitutional categories of motor vehicles: mobile homes, house trailers, camper-type mobile homes, and similar equipment. However, if these are permanently attached to the land, they are taxable as real estate. All mobile home license fees above \$2.00 went to the school district (50 percent) and county or city (50 percent) in which they were registered. Rates for truck-tractors and semi-trailers were revised in 1973 and 1983. The disposition of revenues was amended in 1977 to distribute, for the first time, 36.5 percent to the State Transportation Trust Fund. By 1985, all revenues remaining after school districts receive first proceeds were transferred into the State Transportation Trust Fund.

A three-tier tag schedule for passenger cars and light trucks was created in 1977, and license fees for those motor vehicles were increased by \$2.00 per tag in 1983. In 1984, provisions were made for the issuance of apportioned motor vehicle licenses in accordance with the International Registration Plan. In 1989, a \$30 "new-wheels-on-the-road" fee was imposed upon the initial registration of certain automobiles for private use, trucks weighing less than 5,000 pounds, and recreational vehicles, for deposit into the Law Enforcement Trust Fund. In 1990, the \$30 "new-wheels-on-the-road" fee was increased to \$100, with the additional \$70 for deposit into the State Transportation Trust Fund. In 1991, two changes were made. First, the \$30 portion of the fee was redirected to the General Revenue Fund in lieu of the Law Enforcement Trust Fund. Second, as an offset to a loan repayment, the entire proceeds of the \$100



## MOTOR VEHICLE AND MOBILE HOME LICENSES

fee were deposited into the State Transportation Trust Fund for a two-year period between July 1, 1992, and June 30, 1994. In addition, a \$295 motor vehicle impact fee on the initial application for registration of certain automobiles for private use, trucks weighing less than 5,000 pounds, and recreational vehicles, was enacted effective July 1, 1990. The revenues from the impact fee were for deposit into the General Revenue Fund. The imposition of the \$295 motor vehicle impact fee was changed in 1991 to require payment at the time of original titling of a motor vehicle previously titled outside the state. In 1991, all motor vehicle license tag fees, except mobile homes, included a \$2.00 surcharge for deposit into the State Transportation Trust Fund. Also in 1991, a \$2.00 motor vehicle license replacement fee was levied on each annual motor vehicle registration, except mobile homes, for deposit into the Motor Vehicle License Replacement Trust Fund.

In 1992, a \$0.50 surcharge was levied on all motor vehicle license taxes imposed under s. 320.08, F.S., except for mobile homes, to be deposited into the Florida Motor Vehicle Theft Prevention Trust Fund. During the 1994 legislative session, the \$0.50 motor vehicle license fee for deposit into the Transportation Disadvantaged Trust Fund was increased to \$1.50, and the temporary tag fee was increased from \$1.00 to \$2.00. The 1995 Legislature increased the \$0.50 motor vehicle theft prevention surcharge to \$1.00. Chapter 95-140, L.O.F. (SB 588), repealed s. 319.231, F.S., the \$295 vehicle impact fee. Chapter 96-413, L.O.F. (HB 1329), made the following changes to Chapter 320: provided for a \$50 semi trailer permanent license plate; provided an exemption from the \$100 “new-wheels-on-the-road” tax for ancient or antique cars or trucks for private use and required that a transfer of title between households must be between family members living in the same house in order for such transactions to be exempt from the “new-wheels-on-the-road” tax; increased mobile home sticker fees based on length; and reduced the number of motor vehicles from 1,000 to 250 for a permanent fleet license plate.

Chapter 97-300, L.O.F. (SB 1002), provided the following exemptions from the \$100 “new-wheels-on-the-road” tax: for any member of the U.S. Armed Forces, or his or her spouse or dependent child, who was a resident of Florida at the time of enlistment, who purchased a motor vehicle while stationed outside of Florida and who continues to be stationed outside Florida; and for a motor vehicle registration that is being transferred from a vehicle that is not operational, in storage, or will not be operated in Florida. The legislation also provided for a \$10 sample license plate and provided for a wrecker license plate, with fees ranging from \$87 to \$979, according to gross vehicle weight. Chapter 98-324, L.O.F. (HB 3345), required that a wrecker used to tow a vessel must register and pay a license tax based on gross vehicle weight. Chapter 98-202, L.O.F. (SB 1498), allowed disabled persons to apply for a disabled license plate at no fee beyond the regular license tax. The disabled license plate would replace the \$13.50 long-term disabled parking placard.

Chapter 99-248, L.O.F. (SB 1270), created an annual \$12.50 manufacturer license plate, increased the Challenger license plate use fee from \$15 to \$25, and reduced the annual fleet license fee from \$6.00 to \$2.00. Effective July 1, 2001, Chapter 2000-257, L.O.F. (SB 862), eliminated the 7.3 percent General Revenue Service Charge on the \$100 “new-wheels-on-the-road” fee. Also, effective July 1, 2005, the entire \$100 “new-wheels-on-the-road” fee was deposited into the State Transportation Trust Fund. Chapter 2002-235, L.O.F. (SB 522), required all taxes and fees collected under Chapter 320, F.S., by county officials to be submitted by electronic funds transfer to the State Treasury no later than five working days, instead of seven working days as provided for in Chapter 116, F.S., after the close of the business day in which the funds were received. Chapter 2002-20, L.O.F. (HB 261), eliminated the \$13.50 state portion paid for a long term disabled parking placard. Chapter 2003-179, L.O.F. (SB 954), changed the distribution of the \$1.00 surcharge imposed per motor vehicle license registration pursuant to s. 320.08046, F.S., by eliminating the 18 percent distribution to the Florida Motor Vehicle Theft Prevention Trust Fund and increasing the General Revenue distribution from 40 percent to 58 percent. Chapter 2004-337, L.O.F. (SB 2020), amended the requirements for requests to establish specialty license plates by requiring a sample license plate that conforms to specifications and increasing from 15,000 to 30,000,

## MOTOR VEHICLE AND MOBILE HOME LICENSES

the results of a scientific sample survey of Florida motor vehicle owners that intend to purchase the proposed specialty license plate.

Chapter 2007-242, L.O.F. (HB 275), created the biennial vehicle registration option. Vehicle owners are permitted to pay the vehicle registration taxes in advance for two years and are then issued the appropriate decal for their license plate. The fees for a two-year registration are double that of an annual registration; however, the distribution of the revenue does not actually occur until the year in which it would have normally been collected.

Chapter 2009-71, L.O.F. (SB 1778), changed all fees related to the registration of all motor vehicles. The increased revenues were primarily directed to General Revenue; however, a small portion of the fees are deposited into the Highway Safety Operating Trust Fund.

Chapter 2014-06, L.O.F. (SB 156), lowered registration tax and some ancillary fees for private vehicles and trucks. The decreased revenues were largely limited to portion of the fees directed to General Revenue.

Chapter 2019-43, L.O.F. (SB 7068), redirected the remaining General Revenue portion of base tax fees to the State Transportation Trust Fund. For the 2019-20 fiscal year, \$45 million was retained in the State Transportation Trust Fund, with the remaining funds transferred to the General Revenue Fund. For the 2020-21 fiscal year, \$90 million was retained in the State Transportation Trust Fund, with the remaining funds transferred to the General Revenue Fund. For the 2021-22 fiscal year and each fiscal year thereafter, all of the funds shall be retained in the State Transportation Trust Fund.

### BASE TAX AND RATE:

Passenger cars: \$14.50 to \$32.50 in three weight classes.

Trucks: \$14.50 to \$32.50 in three weight classes.

Truck Tractors: \$60.25 to \$1,322 per vehicle, according to gross vehicle weight: 5001-72,000 lbs.

Semi-Trailers: drawn by a GVW truck tractor by means of a 5<sup>th</sup> wheel: \$13.50 annual or \$68 permanent registration.

Trailers for private use: less than 501 lbs, \$6.75; 501 lbs or more, \$3.50 plus \$1.00 per CWT; for hire: less than 2,000 lbs, \$3.50 plus \$1.50 per CWT; 2000 lbs or more, \$13.50 plus \$1.50 per CWT.

Wrecker License Plates: \$41 flat or \$118 to \$1,322 according to gross vehicle weight: 10,000-72,000 lbs.

Antique Cars & Trucks: \$7.50 flat.

Recreational Vehicles: \$27 to \$47.25 depending on vehicle type and weight.

Mobile Homes: \$20 to \$80 in eight groups according to length.

Motorcycles: \$10.00 + \$2.50 motorcycle safety education fee.

Mopeds: \$5.00 + \$2.50 motorcycle safety education fee.

Motor Vehicles "for hire": under nine passengers, \$17.00 flat plus \$1.50 per 100 lbs; nine passengers and over, \$17.00 flat plus \$2.00 per 100 lbs.

Dealer and Manufacturer License Plates: \$17.00 flat.

School Buses: \$41 flat.

Temporary Tags: \$2.00.

Transporter Tags: \$101.25 flat.

Permanent Fleet Tags: \$1.50 manufacturing fee, in addition to applicable license tax pursuant to s. 320.08, F.S.

Sample License Plates: \$28.00 flat.

Annual Fleet Management Fee: \$2.00 flat.

## MOTOR VEHICLE AND MOBILE HOME LICENSES

In addition to the license taxes stated above, the following taxes are imposed:

- \$1.20 registration surcharge on each annual motor vehicle registration except for mobile homes (see s. 320.0804, F.S.);
- \$2.80 motor vehicle license plate replacement fee on each annual motor vehicle registration except for mobile homes (see s. 320.06, F.S.);
- \$0.10 on each motor vehicle as defined in s. 320.01, F.S., and on each moped, as defined in s. 316.003(2), F.S. (see s. 320.0801, F.S.) for Emergency Medical Trust Fund;
- \$1.00 surcharge on each annual motor vehicle registration except for mobile homes (see s. 320.08046, F.S.) for Grants and Donation Trust Fund in the Department of Juvenile Justice;
- \$1.00 surcharge on each annual motor vehicle registration except mobile homes (see s. 320.0802, F.S.) for Law Enforcement Radio Systems Trust Fund;
- \$.50 fee on every license registration (see s. 320.03, F.S.) for Florida Real Time Vehicle Information System;
- \$1.00 air pollution surcharge (see s. 320.03, F.S.) for Air Pollution Control Trust Fund;
- \$1.00 decal fee (see s. 320.04, F.S.);
- \$2.50 service fee (see s. 320.04, F.S.);
- \$0.50 retro-reflection materials fee (see s. 320.06, F.S.);
- \$1.00 mobile home surcharge to be collected only on mobile home registrations (see s. 320.08015, F.S.);
- \$1.50 surcharge for transportation disadvantaged;
- \$225 on the initial registration of private automobiles and light trucks, except when the person registering the vehicle is replacing a vehicle already registered in Florida.

### DISPOSITION:

The first proceeds of motor vehicle base tax are distributed into the District Capital Outlay and Debt Service Trust Fund (Article XII, Sec. 9(d), Florida Constitution) with the remaining distributed to the State Transportation Trust Fund and General Revenue (through the 2020-2021 fiscal year); mobile home licenses to local governments except for \$1.50 per tag which goes into the General Revenue Fund; \$0.50 to repay costs of the retro-reflective tag feature (deposited into the Highway Safety Operating Trust Fund (HSOTF)); \$0.50 into the HSOTF to cover the costs of the Florida Real Time Vehicle Information System; \$1.00 into the HSOTF to cover the cost of decals; \$1.00 for the Air Pollution Control Trust Fund; \$1.50 for the Transportation Disadvantaged Trust Fund; \$2.50 motorcycle safety education fee for deposit into the HSOTF; \$0.10 per motor vehicle and moped registration for deposit into the Emergency Medical Service Trust Fund; \$1.00 surcharge on each annual motor vehicle registration (except mobile homes) for deposit into the State Agency Law Enforcement Radio System Trust Fund; \$1.20 motor vehicle license surcharge on each annual motor vehicle registration except mobile homes (\$1 is deposited into the State Transportation Trust Fund and \$0.20 is deposited in HSOTF); \$2.80 motor vehicle license replacement fee on each annual motor vehicle registration except mobile homes for deposit into the HSOTF; \$1.00 surcharge on each annual motor vehicle registration except mobile homes deposited into the Grants and Donations Trust Fund in the Department of Juvenile Justice to fund the community juvenile justice partnership grants program; and \$1.00 to the Mobile Home Relocation Trust Fund and only charged on mobile home registrations.

Effective July 1, 2005, 100 percent of the “new-wheels-on-the-road” fee was deposited into the State Transportation Trust Fund. Prior to Fiscal Year 2005-06, \$30 of the “new-wheels-on-the-road” fee was deposited into the General Revenue Fund and the remaining \$70, less the General Revenue Service Charge, was deposited into the State Transportation Trust Fund. (Effective July 1, 2001, the 7.3 percent General Revenue Service Charge was eliminated on the \$100 “new-wheels-on-the-road” fee.) Effective

## MOTOR VEHICLE AND MOBILE HOME LICENSES

September 1, 2009, the “new-wheels-on-the-road” fee was raised to \$225 with 44.5 percent deposited into the State Transportation Trust Fund and 55.5 percent deposited into General Revenue. Effective September 1, 2014, 44.5 percent of the “new-wheels-on-the-road” fee is deposited into the State Transportation Trust Fund, 41.2 percent is deposited into General Revenue and 14.3 percent is deposited in the Highway Safety Operating Trust Fund.

### OTHER STATES:

Motor vehicles are licensed in all states. In some states, motor vehicles are subject to personal property taxes in addition to licenses. Most states base fees for private vehicles on weight, some employ a combination of horsepower and weight, and a few relate the fee to the original value of the car. Fees for commercial vehicles are based on weight, capacity, or both. Farm vehicles are commonly exempted or subjected to lower fees.

2026-27  
(millions)

### VALUE OF RATE CHANGE:

Value of \$1 levy on all licenses sold

Passenger Cars	\$ 12.1
Light Trucks	\$ 1.5
Heavy Truck/Truck Tractors	\$ 1.9
All Other	\$ 3.1
For-Hire	\$ 1.5
Total	\$ 20.1

## PARI-MUTUEL TAX

FLORIDA STATUTES: Sections 550.0951(1)(a) and (b); 550.0951(2)(a); 550.0951(2)(b) and (c); 550.0951(3)(a); 550.0951(3)(b)1 and 2; 550.0951(3)(d); 550.09515(2)(a); 550.3551(4); 550.3551(3) through 550.3551(3)(c); 550.0951(3)(b)1; 550.0951(3)(c)2; 550.09511(1)(b); 550.09511(2)(a)1; 550.09511(3)(a); 550.09511(4); 550.09514(1); 550.09515(5) and (6); 550.1645(2); 550.1646; 550.1647; 550.0351(1), (5), and (6); 849.086(5)(d); and 849.086(13)(a) through (c)

ADMINISTERED BY: Formerly, the Department of Business and Professional Regulation; Division of Pari-Mutuel Wagering. As of July 1, 2022, the Florida Gaming Control Commission assumed oversight.

### SUMMARY:

Taxes and fees are imposed on pari-mutuel facilities in Florida that conduct greyhound, harness, thoroughbred, and quarter horse races, and jai alai games. Taxes are imposed at each pari-mutuel facility that operates a cardroom at 8 percent of the total cardroom gross receipts. Also imposed is an annual cardroom license fee of \$1,000 for each table operated at the cardroom facility. A series of occupational license fees for employees and associated businesses is also imposed.

### REVENUE:

Fiscal Year	Total Cardroom Gross Receipts	Table Fees	Daily License Fees	Occupational Licenses Fees (Including Fingerprint Fees)	Other Pari-Mutuel Tax
2026-27*	18,600,000	900,000	100,000	500,000	400,000
2025-26*	18,300,000	900,000	100,000	500,000	400,000
2024-25	22,456,921	937,000	314,920	554,622	856,796
2023-24	22,553,438	965,000	304,520	630,576	665,719
2022-23	21,507,059	912,000	851,460	519,167	4,721,723
2021-22	19,310,784	829,000	1,035,360	658,948	4,804,474
2020-21	14,438,521	782,000	1,353,679	683,362	4,517,786

\* Estimate

### DISTRIBUTIONS:

Fiscal Year	Pari-Mutuel Related Total	Annual Change %	General Revenue (Cardrooms)	Annual Change %	Pari-Mutuel Wagering Trust Fund	Annual Change %
2026-27*	20,500,000	0.99%	9,300,000	1.09%	11,200,000	0.90%
2025-26*	20,300,000	-19.19%	9,200,000	-18.07%	11,100,000	-20.10%
2024-25	25,120,260	0.02%	11,228,461	-0.43%	13,891,799	0.39%
2023-24	25,115,092	-11.91%	11,276,719	4.87%	13,838,373	-22.07%
2022-23	28,510,656	7.03%	10,753,529	11.49%	17,757,127	4.49%
2021-22	26,638,566	22.33%	9,645,197	33.60%	16,993,369	16.74%
2020-21	21,775,348	4.09%	7,219,261	5.15%	14,556,087	3.57%

\* Estimate

## PARI-MUTUEL TAX

### HISTORY:

Pari-mutuel betting was first authorized in 1931 with the handle taxed at 3 percent plus an admissions tax. Jai alai frontons were authorized in 1935 with the same tax provisions. In 1941, a tax on "breaks" was enacted. Daily license fees were authorized in 1963. Legislation in 1971 placed a ceiling of \$446,500 on the amount of racing revenues distributed annually to each county. The pari-mutuel laws were substantially revised during the 1980 legislative session.

In 1984, all permitholders were authorized to withhold an additional 1 percent commission from exotic wagers to be used for capital improvements, with a 50 percent surtax on the additional commission. In 1987, the Legislature authorized the Florida Pari-mutuel Commission to make recommendations annually to the Legislature for additional operating days. Additional taxes on handle for additional racing days were provided. Jai alai and dog racing permitholders were authorized to withhold in Fiscal Year 1989-90, up to an additional 2 percent from exotic wagers. The additional 2 percent was subject to a 17.5 percent surtax per percentage point. In 1990, intertrack wagering was authorized, with a 3 percent tax rate on handle for horses and a 6 percent tax rate on handle for greyhound racing and jai alai. The additional 2 percent takeout on exotic wagering authorized for Fiscal Year 1989-90 to greyhound and jai alai permitholders was allowed to continue. The Legislature adopted a provision that any increase in future years over the amount of taxes paid from all types of pari-mutuel wagering in Fiscal Year 1989-90 will be redistributed as tax credits to greyhound and jai alai permitholders.

The 1991 Legislature passed CS/SB 1342, which repealed effective July 1, 1992, most of the pari-mutuel statutes, including tax credits and exemptions. Basic provisions relating to taxes and wagering were not repealed. The lower tax rate for intertrack wagering (ITW) was repealed, subjecting ITW to the higher tax rates.

The 1992 Legislature failed to reenact the pari-mutuel statutes. During Special Session A, the 1993 Legislature reenacted the regulatory authority of the Division of Pari-mutuel Wagering and the former permitting and licensing provisions, with some modifications. Tax credits and exemptions and the lower ITW tax rate were not reenacted. In 1993, new tax structures for jai alai games, live harness races, and thoroughbred races were established. Another statutory change adopted in 1993 provided that if a jai alai or horseracing permitholder does not pay state taxes for two consecutive years and incurs no tax liability for failure to operate a full schedule of live races, the permit escheats to the state. The state may reissue the permit to a qualified applicant. Also, the Breeders' Cup Meet was reestablished, but without tax credits. In 1994, the daily license fee for jai alai was reduced from \$80 to \$40 per game, and the tax on handle for live jai alai performances was reduced from 7.1 percent to 5 percent of handle. However, when the live handle during the preceding state fiscal year is less than \$15 million, the tax shall be paid on handle in excess of \$30,000 per performance per day. Chapter 94-328, L.O.F. (HB 2813), created s. 550.2704, F.S., and authorized the licensing of one special Jai Alai Tournament of Champions Meet. The meet consists of four performances at different locations each year. During the 1995 legislative session, no legislation was passed that impacted fees or taxes. The only major legislation that was enacted was in reference to various technical matters in Chapter 550, F.S.

The 1996 Legislature enacted major pari-mutuel tax law changes. The significant changes were as follows: capped daily license fees on simulcast racing at \$500 per day; reduced tax rate on horse racing intertrack simulcast handle from 3.3 percent to 2.4 percent; reduced tax rate on greyhound intertrack handle from 7.6 percent to 6 percent; reduced the tax rate on jai alai intertrack handle from 7.1 percent to 6.1 percent; reduced the tax rate on live jai alai handle from 5 percent to 4.25 percent; eliminated the breaks on live greyhound handle, permitting such breaks to be retained by the permitholder instead of the state; greyhound permitholders were entitled to a tax exemption on their first \$100,000 of live handle with a total tax credit of either \$500,000 or \$360,000 per fiscal year and an \$80 per race tax credit multiplied

## PARI-MUTUEL TAX

by the number of live races conducted in the previous fiscal year; and full-card simulcasting was permitted for all thoroughbred, harness, and jai alai permitholders.

In 1996, the Legislature passed Chapter 1996-364, L.O.F. (HB 337), as a general act covering the entire state. In September 2007, the Florida Supreme Court ruled s. 550.615(6), F.S., to be unconstitutional because of the way it was adopted. The justices found the act should have been a local bill because it only affects South Florida tracks. The high court upheld two lower court decisions that also found the law unconstitutionally restricted the tracks. Section 550.615(6), F.S., limited the ability of South Florida horse racing tracks to simulcast events from other pari-mutuel facilities. As a result of the ruling, effective September 21, 2007, all pari-mutuel facilities in Miami-Dade and Broward counties, were permitted to enter into contractual agreements that allow the host facility to send its live and import simulcast signals to other facilities in the two counties; the tax rate for simulcast handle for the two affected Broward County greyhound facilities increased from 3.9 percent to 5.5 percent.

In addition, the 1996 Legislature permitted the operation of card rooms at pari-mutuel facilities if such activity is approved by ordinance by the county commission where the pari-mutuel facility is located. The fee to operate a card room is \$1,000 for the first card table and \$500 for each additional card table. A card room can only be operated in conjunction with live pari-mutuel wagering. The gross receipts of a card room are taxed at a rate of 10 percent. One-quarter of the revenues deposited into the Pari-Mutuel Trust Fund from card room operations is to be distributed to the counties where the card rooms are located.

The 1997 Legislature transferred the daily operation of the PMW Laboratory to the University of Florida, College of Veterinary Medicine, for Fiscal Year 1997-98, during which time a feasibility study of the operations of the laboratory was conducted. Greyhound racing purse requirements became effective October 1, 1996, and during the 1996-97 fiscal year; the division completed its comprehensive review of greyhound purse payments and established the minimum purse percentages to be used for compliance purposes. The 1998 Legislature passed into law three bills. Two of the bills, CS/SB 440 and HB 1747, became effective on May 24 and contained continued tax breaks for the pari-mutuel industry by repealing the sunset language enacted in 1996. CS/SB 440 provided for the removal of the admission tax on free passes and complimentary cards issued by all permitholders. The bill allowed simulcasting beyond 10:00 P.M., reduced various tax rates on all wager types, and provided for a feasibility study of the Hialeah Race Track to be performed to address state or municipal ownership. The 1999 Legislature allotted an additional \$700,000 to facilitate the relocation of the PMW Racing Laboratory from Tallahassee to Gainesville.

In 2000, the Legislature passed a 76-page amendment affecting pari-mutuel wagering, which included \$20 million in tax reductions for permitholders and an assortment of other revisions to Chapter 550, F.S. The following is a brief synopsis of what is contained in the amendment, which became effective, July 1, 2000:

- Reduced taxes for greyhound permitholders to an estimated amount of \$14.4 million annually
- Reduced taxes for thoroughbred permitholders to an estimated amount of \$4.5 million annually
- Reduced taxes for jai alai permitholders to an estimated amount of \$430,000 annually
- Reduced taxes for harness permitholders to an estimated amount of \$600,000 annually
- Designated the \$29.9 million paid annually to the counties be disbursed directly from the General Revenue Fund rather than the Pari-Mutuel Wagering Trust Fund
- Increased tax credits associated with the Breeders' Cup Championship Meet for certain eligible permitholders

## PARI-MUTUEL TAX

- Reduced the frequency of tax and fee payments made by the permitholder to the division from twice a week to once a week
- Provided jai alai permitholders the option of conducting one additional Charity Day performance
- Provided the authority for the department to enter into an Interstate Compact that will reduce the administrative burden of issuing duplicative licenses to applicants from states that choose to participate
- Eliminated the licensing requirement for all restricted licensees

Section 10 of Chapter 2000-354, L.O.F. (SB 770/286), reenacted and amended paragraph (2) (a) of s. 550.09515, F.S., as amended by s. 4, Chapter 98-190, L.O.F. (SB 440). Effective July 1, 2001, the tax on live handle for thoroughbred horseracing was set at 0.5 percent. In 2003, s. 849.086, F.S., was amended to allow permitholders who operate a cardroom to raise the pot limits from a \$10 pot to a bet limit of \$2 for up to three raises per round of play. Additionally, horseracing permitholders would be permitted to conduct simulcast racing after 7:00 PM and simultaneously operate a cardroom. Sections 550.26165 and 550.2625, F.S., modified the criteria for breeders' awards and the payment of special racing awards to owners of winning Florida-bred thoroughbred horses.

Chapter 2005-288, L.O.F. (HB 181), reduced the number of live performances constituting a full schedule from 100 to 40 for certain jai alai permitholders. Permitholders taking advantage of this reduction are required to pay the same amount of tax as they paid during the last year in which they conducted at least 100 live performances. Additionally, any quarter horse permitholder wanting to substitute thoroughbred races or take intertrack wagering signals would have to have approval from other permitholders in its proximity. Finally, transfer of cardroom licenses was permitted, with no referendum required if the permitholder relocates its permit within the same county as its existing pari-mutuel facility.

Chapter 2007-163, L.O.F. (SB 134), increased the wagering limits from \$2 to \$5 and authorized new wagering options such as dominoes and games of Texas Hold-em without betting limits as long as the buy-in did not exceed \$100; and poker tournaments as long as the entry fee does not exceed the maximum amount that could be wagered in 10-like kind non-tournament games. Additionally, the per table fee paid by each cardroom operator was increased from \$1,000 for the first table and \$500 for each additional table to \$1,000 for all tables. Finally, the requirement to conduct live performances in conjunction with operating a cardroom was amended, authorizing cardroom operators to operate a cardroom year round without having to conduct a live performance. These amendments to s. 849.086, F.S., had a positive impact on tax revenue to the state.

Chapter 2010-29, L.O.F. (SB 622), gave an effective date for the pari-mutuel provision in Chapter 2009-170, which extended cardroom hours from 12 hours per day to 18 hours per day and 24 hours on the weekends and holidays. Additionally, all wagering limits for cardrooms were removed. Quarter horse permit application requirements were amended, subjecting them to the same mileage restrictions that are applicable to other permit applications. Live performances consisting of a full schedule for quarter horse permitholders were reduced from 40 to 20 in 2010-11, increased to 30 in 2011-12 and 2012-13, and then to 40 every fiscal year thereafter. A quarter horse permitholder may have an agreement with either the Florida Quarter Horse Racing Association or the horsemen's association representing the majority of the quarter horse owner and trainers at their facility authorizing them to run an alternative schedule of at least 20 live performances. Additionally, quarter horse permitholders may substitute 50 percent of their races with thoroughbred races, and were no longer required to have approval from other permitholders within their proximity. Finally, a jai alai permitholder that meets certain conditions may apply to have the permit converted to a greyhound permit.



## PARI-MUTUEL TAX

In November 2018, the Constitution Revision Commission proposal #13 to end greyhound racing was approved by 69.1% of voters. This initiative phased out commercial dog racing in connection with wagering by 2020. Other gaming activities were not affected. Live greyhound racing ended effective December 31, 2020.

During the 2021 Legislative Special Session, Chapter 2021-271, L.O.F. (SB 8-A) passed both the House and Senate chambers and was approved by the Governor. The bill did not become effective until August 11, 2021 when the approved 2021 Gaming Compact between the State of Florida and the Seminole Tribe of Florida was published in the Federal Register. Chapter 2021-271, L.O.F., provided for the following changes: (1) The Division shall revoke permits of any permitholder, other than a permit issued pursuant to s. 550.3345, F.S., who did not hold an operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021. A permit revoked is void and may not be reissued; (2) Greyhound permitholders are no longer authorized to conduct live racing, and jai alai permitholders, harness permitholders, and quarter horse permitholders may elect to not conduct live races or games; (3) Those that elect not to conduct live races or games are eligible but not required to be a guest track for the purchase of intertrack and simulcast wagering; and if a harness permitholder, to be a host track for the purpose of intertrack wagering and simulcasting pursuant to ss. 550.3551, 550.615, 550.623, and 550.6305, F.S.; (4) Removes the requirement that a jai alai permitholder conducting fewer than 100 live performances in any calendar year shall pay to the state the same aggregate amount of live daily license, admission tax, and tax on live handle as such permitholder paid to the state during the most recent prior calendar year in which the jai alai permitholder conducted at least 100 performances; (5) Cardrooms are authorized to be open 24 hours a day throughout the year.

During the 2022 Legislative Session, Chapter 2022-179, L.O.F. (SB2510) passed both the House and Senate chambers and was approved by the Governor. This bill became effective July 1, 2022. Chapter 2022-179, L.O.F. (SB2510) amended Section 550.135, F.S., removing the requirement that all unappropriated funds in excess of \$1.5 million in the Pari-Mutuel Wagering Trust Fund, be deposited into the General Revenue Fund.

During the 2023 Legislative Session, Chapter 2023-157, L.O.F. (HB7063) passed both the House and Senate chambers and was approved by the Governor. This bill became effective July 1, 2023. Chapter 2023-157, L.O.F. (HB7063) created Section 550.09516, F.S., authorizing thoroughbred permitholders that conduct pari-mutuel wagering meets to be eligible for a credit equal to the amount paid by such permitholders in the prior state fiscal year to the federal Horseracing Integrity and Safety Authority (HISA), inclusive of any applicable true-up calculations or credits made, granted, or applied to the assessment imposed on the permitholder or the state by HISA, for covered horse racing in the state, pursuant to the Horseracing Integrity and Safety Act of 2020. Each permitholder granted such credits beginning July 1, 2023, and each July 1, thereafter, may apply such credit against their taxes and fees due under ss. 550.0951, 550.095151, and 550.3551(3), F.S., less any credit received by the permitholder under s. 550.09515 (6) F.S., and less the amount of state taxes that would otherwise be due to the state for the conduct of charity day performances under s. 550.0351 (4), F.S.

During the 2024 Legislative Session, Chapter 2024-115, L.O.F. (SB804) passed both the House and Senate chambers and was approved by the Governor. This bill became effective July 1, 2024. Chapter 2024-115, L.O.F., (SB804), amended Section 550.3551, F.S., authorizing horse tracks to receive broadcast of horseraces conducted at other horse racetracks located outside the state at the racetrack enclosure of the licensee, if the horse track conducted a full schedule of live racing during the preceding state fiscal year, or if the horse track does not conduct live racing as authorized under s. 550.01215, F.S.

During the 2025 Legislative Session, Chapter 2025-208, L.O.F. (HB7031) passed both the House and Senate chambers and was approved by the Governor. This bill became effective July 1, 2025 and

## PARI-MUTUEL TAX

amended Section 849.086(13)(a), F.S. changing the tax on cardroom 10 percent of the gross receipts to 8 percent. Additionally, provisions in Section 550.0951(3)(c), F.S., that require a 0.5% tax rate on handle were amended to remove the “currently conducting a live race meet” language and added “that conducted a full schedule of live racing the preceding fiscal year.”

### BASE AND RATE:

	Thoroughbreds	Harness	Quarter Horse	Greyhounds	Jai Alai
Daily License Fee					
Live Simulcast	\$100 per race \$500 per day	\$100 per race \$500 per day	\$100 per race \$500 per day	N/A \$500 per day	\$40 per game \$500 per day
Admissions Tax	15% or 10 cents, whichever is greater  No tax applies to free or complimentary passes	15% or 10 cents, whichever is greater  No tax applies to free or complimentary passes	15% or 10 cents, whichever is greater  No tax applies to free or complimentary passes	15% or 10 cents, whichever is greater  No tax applies to free or complimentary passes	15% or 10 cents, whichever is greater  No tax applies to free or complimentary passes
Tax on Handle					
Live	0.5% of handle	0.5% of handle	1.0% of handle	N/A	2.0% of handle
ITW	2.0% of handle  0.5% of handle (I)	3.3% of handle  0.5% of handle (I)	2.0% of handle  0.5% of handle (I)	N/A	7.1% of handle  6.1% of handle (III)  3.3% of handle (IV)  2.3% of handle (III)  0.5% of handle (I)
Simulcast	0.5% of handle	0.5% of handle	1.0% of handle	5.5% of handle	2.0% of handle
ITW of Simulcast	2.4% of handle  0.5% of handle (I and V)	1.5% of handle  0.5% of handle (I)	2.4% of handle  0.5% of handle (I)	5.5% of handle  3.9% of handle (II) 0.5% of handle (I)	Same as intertrack  0.5% of handle (I)
Tax on Cardroom	8% of gross receipts	8% of gross receipts	8% of gross receipts	8% of gross receipts	8% of gross receipts
Cardroom License Fee	\$1,000 per table	\$1,000 per table	\$1,000 per table	\$1,000 per table	\$1,000 per table

### DISPOSITION:

#### Pari-Mutuel Taxes and Fees

Of the total collections, 8 percent is deducted as service charges to the General Revenue Fund, with the remainder deposited into the Pari-Mutuel Wagering Trust Fund.

## PARI-MUTUEL TAX

### Cardroom Taxes

One-half of total collections are distributed to the General Revenue Fund. The other half of the collections is deposited into the Pari-Mutuel Wagering Trust Fund. Of the one-half deposited into the Pari-Mutuel Wagering Trust Fund, 8 percent is deducted as service charges to the General Revenue Fund. One-fourth of the collections deposited into the Pari-Mutuel Wagering Trust Fund is distributed the following October to the counties or municipalities where the cardroom was approved.

### Cardroom Table Fees

The General Revenue Fund deducts 8 percent as service charges with the remainder deposited into the Pari-Mutuel Wagering Trust Fund.

### Pari-Mutuel, and Cardroom, Occupational Licenses

The General Revenue Fund deducts 8 percent as service charges with the remainder deposited into the Pari-Mutuel Wagering Trust Fund.

Prior to the 2022 Legislative Session, all unappropriated funds in excess of \$1.5 million in the Pari-mutuel Wagering Trust Fund, collected pursuant to s. 550.135, F.S., were deposited with the Chief Financial Officer to the credit of the General Revenue Fund. This amounted to \$2 million in FY 2021-22, \$0 million in FY 2020-21, \$1 million in FY 2019-20, \$2 million in FY 2018-19 and \$9 million in FY 2017-18.

### OTHER STATES:

There are many other states that permit some type of pari-mutuel and/or cardroom operations. Those operations are sometimes regulated by the state, commissions, or boards. Historically, pari-mutuel and cardroom statutes relating to taxes and fees are very complex and vary greatly from state to state. Most states have some sort of pari-mutuel wagering, except Alaska, Georgia, Hawaii, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, Utah, Vermont, and Washington, DC.

	<u>2026-27</u> (millions)
VALUE OF RATE CHANGE:	
Value of 1 percent levy on pari-mutuel handle (Assuming no additional track allowance)	
Greyhound (simulcast)*	\$0.03
Jai Alai (live and simulcast)	insig.
Harness (live and simulcast)	\$0.04
Thoroughbred (live and simulcast)	\$0.80
Quarter Horse (live and simulcast)	insig.
Intertrack Wagering (ITW and ITWS)	<u>\$2.94</u>
Total	\$3.81

\*No live greyhound racing effective December 31, 2020.

Value of 1 percent levy on cardroom gross receipts	\$2.3
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## POLLUTANT TAXES AND FEES

FLORIDA STATUTES: Chapter 206 Part IV, F.S. (Coastal Protection Tax, Water Quality Tax, and Inland Protection Tax), s. 376.75, F.S. (Perchloroethylene Tax), s. 403.718, F.S. (Waste Tire Fees) and s. 403.7185, F.S. (Lead-acid Battery Fees).

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Every barrel of pollutant produced in or imported into Florida is subject to the pollutant tax. Taxable pollutants include petroleum products including gasoline and diesel fuel, pesticides, ammonia, chlorine, solvents, and motor oil and other lubricants. In addition, each new tire sold at retail is subject to a \$1 waste tire fee and each new or remanufactured lead-acid battery is subject to a \$1.50 lead-acid battery fee.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Coastal Protection	Water Quality**	Inland Protection
2026-27*	313,678,613	0.16%	7,266,023	33,141,773	273,270,818
2025-26*	313,179,274	0.35%	7,254,456	33,089,015	272,835,803
2024-25	312,086,970	0.64%	7,229,154	32,973,607	271,884,208
2023-24	310,114,192	3.97%	7,171,277	33,281,130	269,661,785
2022-23	298,268,718	-0.91%	7,053,256	27,564,239	263,651,223
2021-22	301,015,213	12.20%	7,005,461	33,142,501	260,867,251
2020-21	268,279,511	-3.56%	6,268,378	29,845,907	232,165,226

\* Estimate

\*\* The Water Quality numbers include the following revenues for the \$1.50 lead-acid battery fee: 2020-21 - \$11.8 million; 2021-22 - \$13.4 million; 2022-23 - \$10.6 million; 2023-24 - \$13.6 million; 2024-25 - \$13.2 million

### HISTORY:

The Coastal Protection Tax, Water Quality Tax, and Inland Protection Tax are deposited into the Pollutant Tax Clearing Trust Fund, from which distributions to other trust funds and to the General Revenue Fund (service charges) are made. The Perchloroethylene Tax is deposited into the Water Quality Assurance Trust Fund. The Lead-acid Battery Fees and the Waste Tire Fees are deposited into the Solid Waste Management Clearing Trust Fund.

In 1974, under s. 376.11, F.S., a pollutant tax of 2 cents per barrel of pollutant was levied and revenues deposited into the Florida Coastal Protection Trust Fund. As part of the "State Underground Petroleum Environmental Response Act of 1986", the 1986 Legislature replaced the pollutant tax provisions of Chapter 376, F.S., with Part IV of Chapter 206, F.S., which provided for the taxation of each barrel of pollutant produced in or imported into the state. The definition of "pollutant" included specified petroleum products as well as pesticides, ammonia, and chlorine. In addition to the Coastal Protection Trust Fund and the Water Quality Assurance Trust Fund, the Inland Protection Trust Fund was created and a tax imposed.

In 1988, the Legislature expanded the list of products subject to the Water Quality Assurance Tax to include solvents, lead-acid batteries, and motor oil or other lubricants; provided a two-tiered tax rate; and adopted waste newsprint disposal fees. Solvent mixtures were added to the list of taxable pollutants under the Water Quality Assurance Tax in 1989 and tax rates were adjusted. The lead-acid battery tax was transferred to Chapter 403, F.S. In 1990, provisions were adopted to increase the cap on the Coastal Protection Trust Fund if the U.S. Department of the Interior approves offshore oil drilling, excluding

## POLLUTANT TAXES AND FEES

natural gas drilling activities, in waters off Florida's coast; and if a discharge of catastrophic proportions occurs, the Governor and Cabinet may, by rule, increase the levy of the pollutant tax to an amount not to exceed 10 cents per gallon for a period of time necessary to pay any proven claims against the fund and to restore the balance to \$50 million.

In 1992, the tax for inland protection was increased from 10 cents to 30 cents per barrel of taxable pollutant if the unobligated balance of the trust fund falls between \$100 million and \$150 million, increased from 20 cents to 60 cents if the unobligated balance of the trust fund is above \$50 million, but below \$100 million; and increased from 30 cents to 80 cents if the unobligated balance of the trust fund is \$50 million or less.

The 1-cent Advance Disposal Fee, which was originally enacted in 1988 to take effect in 1992, was substantially amended and took effect October 1, 1993. The fee was scheduled to increase to 2 cents per container on January 1, 1995. Pursuant to ss. 71 and 72 of Chapter 88-130, L.O.F., waste newsprint disposal fees and the advance disposal fee were repealed effective October 1, 1995.

In 1996, the Legislature eliminated solvent mixtures from the definition of taxable pollutants, thus exempting them from the Water Quality Tax. Chapter 2006-16, L.O.F. (SB 818), changed the fuel tax distribution by decreasing the transfer of funds to the Inland Protection Trust Fund and increasing the distribution to the Florida Coastal Protection Trust Funds. Chapter 2007-81, L.O.F. (HB 7063), prescribed a transfer of the greater of \$5 million or 2.5 percent of the Inland Protection Trust Fund to the Coastal Protection Trust Fund.

### BASE AND RATE:

Tax for Coastal Protection: 2 cents per barrel of pollutant produced in or imported into the state until the balance in the Coastal Protection Trust Fund equals or exceeds \$50 million. For the fiscal year immediately following the year in which the balance equals or exceeds \$50 million, the excise tax will be discontinued until it is necessary to reinstate the tax. If off-shore oil drilling is approved off Florida's coast the cap on the trust fund is raised to \$100 million, and if a catastrophic discharge of pollutants occurs the tax can be increased up to 10 cents a barrel (see s. 206.9935(1), F.S., for details).

Tax for Water Quality: \$1.50 per new or remanufactured lead-acid battery; 2.36 cents per gallon of solvents; 1 cent per gallon of motor oil or other lubricants; and 2 cents per barrel of petroleum products, ammonia, and chlorine produced in or imported into the state, until the unobligated balance of the Water Quality Assurance Trust Fund equals or exceeds a balance of \$12 million, at which time the tax will be discontinued until it is necessary to reinstate the tax. If the unobligated balance of the fund is or falls below \$3 million, the tax will be \$1.50 per new or remanufactured lead-acid battery; 5.9 cents per gallon of solvent; 2.5 cents per gallon of motor oil or other lubricants; 2 cents per barrel of ammonia; and 5 cents per barrel of petroleum products, pesticides, and chlorine, until the unobligated fund balance exceeds \$5 million, at which time the tax shall revert to the lower rate (see ss. 206.9935(2) (b) and 403.7185(1), F.S., for details).

Tax for Inland Protection: 30 cents per barrel of pollutant, produced in or imported into the state if the unobligated balance of the Inland Protection Trust Fund is between \$100 million and \$150 million; 60 cents if the unobligated balance of the fund is above \$50 million, but below \$100 million; and 80 cents if the unobligated balance of the fund is \$50 million or less. If the unobligated balance in the fund exceeds \$150 million, the tax shall be discontinued until such time as the unobligated balance reaches \$100 million (see s. 206.9935(3)(b), F.S., for details).

Waste Tire Fee: There is a \$1 per tire fee imposed on each new motor vehicle tire sold at retail. The fee is imposed on tires sold separately or as component parts of a new motor vehicle. The fee is not imposed

## POLLUTANT TAXES AND FEES

on recapped tires. The proceeds from the waste tire fee are deposited into the Solid Waste Management Trust Fund. Waste tire fee revenues are as follow: 2020-21 – \$23.6 million; 2021-22 – \$23.4 million; 2022-23 - \$26.6 million and, 2023-24- \$25.7 million; 2024-25-\$26.4 million Estimated revenues for 2025-26 are \$26.6 million and 2026-27 are \$26.7 million for each fiscal year.

Hazardous Waste Taxes and Fees: Local governments within Florida may assess a 3 percent gross receipts tax on facilities within their jurisdictions that store or dispose hazardous waste, with the proceeds being used for facility inspection, security, and road construction costs related to the facility, and environmental protection purposes. The revenues are as follows: 2020-21 - \$0.06 million; 2021-22 - \$0.06 million; 2022-23 - \$0.07; 2023-24 - \$0.05; and 2024-25 - \$0.05 million Estimated revenues for 2025-26 are \$0.05 million and for 2026-27 are \$0.05 million.

### DISPOSITION:

Florida Coastal Protection Trust Fund: Tax for Coastal Protection

Water Quality Assurance Trust Fund: Tax for Water Quality

Inland Protection Trust Fund: Tax for Inland Protection

Solid Waste Management Trust Fund: Waste Tire Fee

### OTHER STATES:

A number of states besides Florida impose some form of pollutants, environmental protection, or oil contingency tax. The Federation of Tax Administrators shows some pollutant-related taxes in its summary of Motor Fuel Excise Tax Rates at <http://www.taxadmin.org/assets/docs/Research/Rates/mf.pdf>.

	<u>2026-27</u> (millions)
VALUE OF RATE CHANGE:	
Value of 1 cent levy per barrel of petroleum product:	
Coastal Protection	\$3.55
Water Quality	\$3.26
Inland Protection	\$3.43
Value of 10 cent levy per lead-acid battery:	\$0.60
Value of 1 cent levy per gallon of motor oil or other lubricant:	\$0.89
Value of 1 cent levy per gallon of solvent:	\$0.16

### VALUE OF EXEMPTIONS:

In 1996, the Legislature eliminated solvent mixtures from the definition of taxable pollutants [Chapter 1996-352, L.O.F. (SB 1148)]. “Solvent mixtures” were defined as “a blend or mixture in liquid form containing one or more organic compounds [listed in then subsection (6)], but the term excludes ethanol when used as a motor gas blending agent.” Compounds in the “solvents” list that the “solvent mixtures” definitions referred to included acetamide, acetone, acetonitrile, acetophenone, amyl acetates (all), aniline, benzene, butyl acetates (all), butyl alcohols (all), butyl benzyl phthalate, carbon disulfide, carbon tetrachloride, chlorobenzene, chloroform, cumene, cyclohexane, cyclohexanone, dibutyl phthalate, dichlorobenzenes (all), dichlorodifluoromethane, diethyl phthalate, dimethyl phthalate, dioctyl phthalate (di2-ethyl hexyl phthalate), n-dioctyl phthalate, 1,4-dioxane, petroleum-derived ethanol, ethyl acetate, ethyl benzene, ethylene dichloride, 2-ethoxy ethanol (ethylene glycol ethyl ether), ethylene glycol, furfural, formaldehyde, n-hexane, isophorone, isopropyl alcohol, methanol, 2-methoxy ethanol (ethylene

## POLLUTANT TAXES AND FEES

glycol methyl ether), methyl tert-butyl ether, methylene chloride (dichloromethane), methyl ethyl ketone, methyl isobutyl ketone, mineral spirits, 140-F naphtha, naphthalene, nitrobenzene, 2-nitropropane, pentachlorobenzene, phenol, perchloroethylene (tetrachloroethylene), stoddard solvent, tetrahydrofuran, toluene, 1,1,1-trichloroethane, trichloroethylene, 1,1,2-trichloro-1,2,2-trifluoroethane, and xylenes (all).

Based on the revenue loss from the 1996 exemption, and the current levels of revenue from solvents, repeal of the 1996 solvent mixtures exemption in FY 2025-26 and FY 2026-27 would result in a revenue gain of \$0.95 million.

## PROFESSIONAL AND OCCUPATIONAL LICENSING FEES

FLORIDA STATUTES: Chapters 112, 310, 383, 390, 394, 395, 400, 408, 429, 440, 450, 455, 469, 471, 472, 473, 474, 475, 476, 477, 481, 483, 489, 492, 499, 548 and sections 468.381 - 468.457, 468.520 - 468.633, and 468.83 - 468.8424, 627, 641, 765

ADMINISTERED BY: Department of Business and Professional Regulation; Agency for Health Care Administration

### SUMMARY:

Many professions and occupations are regulated by the Department of Business and Professional Regulation and pay annual or biennial license fees designed to cover the cost of regulation, and in some cases pay fees for examination administration. The Agency for Health Care Administration charges fees to license, certify, and regulate (unless otherwise exempt) over 50,500 health care providers including hospitals, nursing homes, assisted living facilities, residential treatment facilities, home health agencies, clinical laboratories and health care clinics.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	99,500,000	14.76%
2025-26*	86,700,000	-1.62%
2024-25	88,124,200	6.48%
2023-24	82,764,206	-16.28%
2022-23	98,855,371	4.46%
2021-22	94,632,446	6.34%
2020-21	88,988,716	22.37%

\* Estimate

### HISTORY:

The Department of Business and Professional Regulation was formed in 1993 as a result of the merger between the Department of Business Regulation and the Department of Professional Regulation. The Department of Professional Regulation and the Department of Business Regulation were both created by the 1969 Government Reorganization Act. The professions included in the revenue category of professional and occupational licenses are: architects and interior designers, asbestos consultants and contractors, athlete agents, auctioneers, barbers, building code administrators and inspectors, community association managers, the construction industry, cosmetologists, electrical contractors, employee leasing companies, engineering, geologists, landscape architects, harbor pilots, home inspectors, talent agencies, mold-related services, veterinarians, farm labor contractors, the boxing and mixed martial arts industry, real estate, real estate appraisal, certified public accounting, and drugs, devices and cosmetics.

Numerous other occupations, professions, and businesses are regulated through various departments of state government, usually with assistance from boards composed of members of regulated activities. From 1976-1980, as a result of sunset legislation, major changes were made in the department's structure and the responsibilities of the many regulatory boards that serve it. In 1983, Chapter 83-329, L.O.F., made changes affecting the department, various regulatory boards, and nearly all of the professions currently regulated. License fees and caps have been increased over the years for a number of professions and new laws enacted to regulate professions for the first time. Chapter 92-149, L.O.F. (HB 2249), required that professional license fees be set at a level sufficient to cover the costs of regulation of the profession. In that same law, professional licensing boards were given the authority to impose a one-time fee in an amount necessary to eliminate a cash deficit, or if there was not a cash deficit, in an amount



## PROFESSIONAL AND OCCUPATIONAL LICENSING FEES

sufficient to maintain the financial integrity of the profession. No more than one such assessment may be made in any four-year period without specific legislative authorization. If a licensing board fails to increase fees to cover costs, then the department was authorized to increase the fees. Chapter 92-33, L.O.F. (SB 2390), transferred the regulation and licensing of the medical profession from the Department of Business and Professional Regulation to the Agency for Health Care Administration. Chapter 97-312, L.O.F. (HB 433), provided for the privatization of the regulation of the engineering profession. In 2007, the Legislature passed SB 2234 (Chapter 2007-235, L.O.F.), which established professional licenses for Home Inspectors and for Mold Assessors or Mold Remediators, effective July 1, 2010.

In 2009, the Legislature passed SB 1744 (Chapter 2009-66, L.O.F.), which transferred the regulation and licensing of the surveyors and mappers profession from the Department of Business and Professional Regulation to the Department of Agriculture and Consumer Services. Chapter 2009-195, L.O.F. (HB 425), removed the allowance for a practical portion of a barber's examination and required only a written segment. Additionally, license fee caps were increased for cosmetologists from \$25 to \$50 and construction contractors from \$200 to \$250.

In 2010, the Legislature passed HB 303 (Chapter 2010-84, L.O.F.), requiring the Department of Business and Professional Regulation to regulate and license appraisal management companies effective July 1, 2010. Chapter 2010-176, L.O.F. (HB 663), revised the surcharge on building permit fees for the Building Code Administrators and Inspectors Fund by setting the surcharge rate at 1.5 percent of all permit fees associated with enforcement of the Florida Building Code. The minimum surcharge collected on any building permit issued is \$2. Chapter 2010-161, L.O.F. (HB 5311), transferred the administration of the Florida Drug and Cosmetic Act in Chapter 499, F.S., from the Department of Health to the Department of Business and Professional Regulation, effective October 1, 2011.

In 2011, the Legislature passed SB 1040 (Chapter 2011-30, L.O.F.), creating the Florida Drug, Device, and Cosmetic Trust Fund within the Department of Business and Professional Regulation. The trust fund was established to provide for the deposit of revenues and the recording of expenditures related to the regulation and administration of the Florida Drug, Device, and Cosmetic Act authorized in Chapter 499, F.S.

In 2013, the Legislature passed CS/CS/CS/HB 973 (Chapter 2013-203, L.O.F.), exempting certain employees of security alarm companies and subcontractors of telecommunications companies from licensure.

In 2014, the Legislature passed CS/CS/HB 7015 (Chapter 2014-1, L.O.F.), extending to the spouse of a military veteran the general waiver of initial license, initial application, and initial unlicensed activity fees available to military veterans within 24 months after discharge. The bill also extended the 24 month period to 60 months. Also in 2014, the Legislature passed CS/CS/SB 404 (Chapter 2014-73, L.O.F.), which allows certain qualified persons to register as a "geologist-in-training," upon passage of the fundamentals portion of the licensure exam. A non-refundable application fee and a refundable examination fee are required.

In 2015, the Legislature passed CS/HB 401 (Chapter 2015-143, L.O.F.), lowering the fee for renewing certain delinquent licenses to a flat \$50 late renewal fee. The Legislature also passed CS/CS/HB 373 (Chapter 2015-174, L.O.F.) amending the definition of licensed firm or public accounting firm and clarifying the practice requirements for partnerships, corporations, limited liability companies, and other business entities practicing public accounting.

## PROFESSIONAL AND OCCUPATIONAL LICENSING FEES

In 2016, the Legislature passed HB 303 (Chapter 2016-79, L.O.F.), limiting required payment of an unlicensed activity fee if, at the beginning of the fiscal year, the profession's unlicensed activity account balance totals more than twice the cost of that profession's expenses for unlicensed activity investigations from the preceding two fiscal years combined.

In 2017, the Legislature passed CS/CS/HB 615 (Chapter 2017-135, L.O.F.), creating an initial licensing fee waiver for members of the Armed Forces who served on active duty, their spouse or surviving spouse and certain low income individuals. The bill also requires DBPR to issue a renewable professional license to certain active duty members of the Armed Forces, their spouses and surviving spouses and veterans without an initial licensing fee and without meeting other statutory licensing requirements and qualifications under specified circumstances. The bill also extends the period of time that active duty members remain in good standing after discharge from active duty from six months to two years and allows spouses and surviving spouses to remain in good standing when they are absent from the state due to their spouse's service.

In 2018, the Legislature passed CS/CS/SB 622 (Chapter 2018-24, L.O.F.), which repeals the licensure requirements for clinical laboratories that perform testing on specimens derived from within Florida, as well as the \$300 biennial license fee. It also repeals health care risk manager licensure requirements and related licensure fees. In addition, the Legislature passed CS/HB 29 (Chapter 2018-7, L.O.F.), which eased professional licensing fees and requirements for certain military members, veterans, and their spouses by creating or expanding fee waivers for certain Department of Business and Professional Regulation and Department of Health licensees and applicants.

In 2019, the Legislature passed CS/CS/HB 827 (Chapter 2019-086, L.O.F.), which eliminated all fees associated with the qualification of an engineering business and the certificate of authorization for an engineering business.

In 2020, the Legislature passed CS/CS/HB 731 (Chapter 2020-156, L.O.F.), repealing licensure of multiphasic health testing centers and exempting from clinic licensure all federally certified providers, community mental health center-partial hospitalization programs, portable x-ray providers, and rural health clinics. The Legislature also passed CS/HB 1193 (Chapter 2020-160, L.O.F.). This bill, cited as the "Occupational Freedom and Opportunity Act," deregulated and removed licensure requirements for hair braiders, hair wrappers, body wrappers, nail polishers, makeup artists, and boxing announcers and timekeepers. The bill also repealed the licensing requirements and provisions related to licensure of labor organizations and eliminated the additional business license requirements for architects, interior designers, landscape architects, and geologists.

In 2021, the Legislature passed CS/CS/SB 1966 (Chapter 2021-135, L.O.F.), repealing the \$4.00 fee that all construction contracting certificate holders and registrants must pay to the Department of Business and Professional Regulation at the time of application or renewal to fund projects relating to the building construction industry or continuing education programs offered to persons engaged in the building construction industry in Florida. The bill also exempted cosmetic manufacturers, with annual gross sales of \$25,000 or less, from the requirement of obtaining a cosmetic manufacturing permit.

In 2023, the Legislature passed HB 1091 (Chapter 2023-68, L.O.F.), which directed the Department of Business and Professional Regulation to waive 50 percent of license fees (up to \$200 per license) collected by the Department pursuant to Chapter 455, F.S. The waivers apply to applications for initial licenses and renewals in fiscal years 2023-24 and 2024-25. For the 2023-24 fiscal year, \$50 million was appropriated to the Department of Business and Professional Regulation to be deposited in the Professional Regulation Trust Fund. Any unexpended balance of funds from this appropriation on June 30, 2024, reverts and is appropriated to the Department for the 2024-25 fiscal year for the same purposes.

## **PROFESSIONAL AND OCCUPATIONAL LICENSING FEES**

In 2023, the Legislature also passed HB 1383 (Chapter 2023-271, L.O.F.), which created numerous types of specialty contractor licenses that are subject to the existing fees for specialty contractors.

In 2024, the Legislature passed CS/HB 813 (Chapter 2024-97, L.O.F.), allowing a Florida-licensed CPA that is at least 65 years of age to place his or her CPA license in a retired status and providing that a retired licensee may reactivate a license in a conditional manner, which requires the payment of fees. The Legislature also passed CS/CS/CS/HB 267 (Chapter 2024-191, L.O.F.), reducing building permit application deadlines and revising when a permit fee is applied, which impacts DBPR's collection of surcharges on building permit fees.

### **BASE AND RATE:**

There are 22 professions regulated by the Department of Business and Professional Regulation, based on the Department's 2023-24 Annual Report for the Division of Certified Public Accounting, Division of Professions, Division of Real Estate, and Division of Regulation. There are 38 types of health care providers regulated by the Agency for Health Care Administration. Licensure fees vary by profession or facility type.

### **DISPOSITION:**

Most fees are deposited into the Professional Regulation Trust Fund and are subject to an 8 percent General Revenue Service Charge. When examinations are administered by an outside source, the examination fees, under some contracts, are paid by the applicant directly to the vendor that conducts the testing. Fees charged by the Agency for Health Care Administration are deposited into the Health Care Trust Fund and are subject to the General Revenue Service Charge.

### **OTHER STATES:**

All states engage in some form of regulation and licensing of professions.

## **REEMPLOYMENT ASSISTANCE TAX (Unemployment Compensation Tax)**

FLORIDA STATUTES: Chapter 443

ADMINISTERED BY: Department of Commerce and the Department of Revenue

### **SUMMARY:**

Florida's Reemployment Assistance Program imposes a tax on wages paid by Florida employers to pay for unemployment benefits received by unemployed individuals. The tax is imposed on the first \$7,000 of compensation paid to each employee. The tax rate varies from 0.1 percent to 5.4 percent depending upon the benefit experience of the employer. The minimum tax rate is 0.10 percent in calendar year 2025.

### **REVENUE AS REPORTED IN STATE ACCOUNTS:**

<b>Fiscal Year</b>	<b>Collections (Dollars)</b>	<b>Annual Change (Percent)</b>
2026-27*	402,700,000	0.02%
2025-26*	402,600,000	-26.52%
2024-25	547,887,569	-18.56%
2023-24	672,791,073	-1.23%
2022-23	681,138,415	4.30%
2021-22	653,059,921	-38.42%
2020-21**	1,060,566,490	145.41%

\* Estimate

\*\* Collections for FY 2020-21 included \$446.2 million in tax overpayments by employers. These overpayments have been refunded from the General Revenue Fund to employers per Chapter 2021-2, L.O.F. (CS for CS for SB 50).

### **HISTORY:**

The U. S. Social Security Act of 1935 provided for a Federal-state program under a Federal tax against which state taxes up to 2.7 percent of covered payrolls could be credited. Florida's legislation was enacted in 1937 to comply with this plan. Florida's maximum benefit was first set at 50 percent of lost wages up to \$15 weekly. Maximum benefits were increased in 1974, 1975, 1979, 1980, 1981, 1983, 1985, 1987, 1990, and 1998. Rate schedules were changed in 1979 and 1984. In 1980, the Unemployment Compensation Act was extensively revised (Chapter 80-95, Laws of Florida L.O.F.). The maximum benefit was increased from \$200 to \$225 in 1990 and to \$250 in 1992. Chapter 94-347, L.O.F. (HB 2447), made administrative changes to unemployment compensation, including changing the time frames for tax notification and reporting to make employers' compliance fairer and easier. Chapter 97-29, L.O.F. (HB 3), reduced unemployment taxes for all Florida employers, except those employers that had paid at a rate of 5.4 percent for more than 36 months, by five tenths percent for one year and decreased the initial rate charged new employers from 2.7 percent to 2.0 percent for one year. These tax reductions were effective for the 1998 calendar year. The law also increased the maximum weekly amount an unemployed individual may receive from \$250 to \$275, effective January 1, 1998. Finally, the law raised the exemption for sole-proprietors from paying unemployment taxes on wages paid to their children from 18 to 21 years of age. Chapter 99-131, L.O.F. (HB 1951), reduced unemployment taxes and benefits for calendar year 2000, in the same manner as calendar year 1998 (see above, Chapter 97-29, L.O.F. (HB 3). Chapter 2002-218, L.O.F. (SB 426), lowered the trigger for increasing the unemployment compensation tax rate from 4 percent of taxable payroll to 3.7 percent of taxable payroll. Chapter 2009-99, L.O.F. (SB 810), increased the cap on an individual's wages subject to the tax from \$7,000 to \$8,500 for years 2010 through 2014, increased the trigger for increasing the unemployment compensation tax rate from 3.7 percent of taxable payroll to 4.0 percent of taxable payroll, and temporarily (from 2010 through 2014) increased the adjustment to tax rates in the event that an increase is triggered. Additionally, the trigger for

## **REEMPLOYMENT ASSISTANCE TAX (Unemployment Compensation Tax)**

decreasing the unemployment tax rate was increased from 4.7 percent to 5.0 percent of taxable payroll, with no negative adjustment allowed through 2014, or in any year in which the Unemployment Compensation Trust Fund is repaying any advances from the Federal program. Chapter 2010-1, L.O.F. (HB 7033), delayed the increase in wages from \$7,000 to \$8,500 until 2012, provided for the \$8,500 to stay in place in any year where there are outstanding Federal advances, directed that the wage base used to calculate the tax also be used to calculate the tax rates, and provided that no fund size factor tax increase be triggered for 2010 and 2011. Additionally, assessments were imposed against employers to pay any interest due on Federal advances, and provisions were made to allow employers to pay their tax on an installment basis during 2010 and 2011, after paying a \$5 annual fee. Chapter 2011-235, L.O.F. (HB 7005), made numerous changes regarding eligibility for benefits: revised the disqualification provision as it related to absenteeism, violation of company policy, disruptive behavior and deductible income, disallowed benefits to be paid when a claimant is receiving severance pay and other forms of payment from his/her former employer, and allowed hearsay evidence in benefits determination. Additionally, benefits used to determine an employer's benefit ratio were reduced by 10 percent between the third quarter 2007 and the first quarter 2011. The maximum number of weeks of state benefits to be paid was reduced from 26 to 23 effective for claims initiated after January 1, 2012, with the maximum number of weeks in any one year dependent on the statewide unemployment rate during the third quarter of the prior calendar year. The installment payment option was extended through calendar year 2014.

Chapter 2012-30, L.O.F. (HB 7027), reduced the wage base from \$8,500 to \$8,000 for tax years 2012 through 2014, reduced the fund size factor for tax years 2012 through 2017, and allowed for Professional Employer Organizations to make a one-time irrevocable election to calculate, report, and pay state UC taxes under the respective unemployment account of each client. The chapter also rebranded the state's unemployment compensation program and Unemployment Compensation Tax as the reemployment assistance program and the Reemployment Assistance Tax.

A number of changes were made during the 2021 session, which affected Reemployment Assistance Tax calculations. Chapter 2021-2, L.O.F. (CS for CS for SB 50), Section 13 amended subparagraph 6 of paragraph (d) of subsection (6) of section 212.20 and added sub-subparagraph h that directed the Department of Revenue (DOR) to distribute \$324,533,334 from Sales Tax Collections on or before the 25th of July, August, and September, 2021 to the Unemployment Compensation Trust Fund, less an adjustment for refunds issued from the General Revenue Fund pursuant to s. 443.131(3)(e)3 before making the distribution. The law also stated that "...adjustments made by the department to the total distributions shall be equal to the total refunds made pursuant to s. 443.131(3)(e)3. If the amount of refunds to be subtracted from any single distribution exceeds the distribution, the department may not make that distribution and must subtract the remaining balance from the next distribution." The Department of Revenue was also directed to distribute \$90 million monthly from sales tax collections to the Unemployment Compensation Trust Fund starting in July 2022 on or before the 25th day of each month until the ending balance of the Unemployment Compensation Trust Fund exceeded \$4,071,519,600 on the last day of any month, as determined from the United States Department of the Treasury data and as certified by the Office of Economic and Demographic Research. Sub-subparagraph h was repealed and the department directed to end the monthly distributions on the date it received the aforementioned certification.

Chapter 2021-2, L.O.F. (CS for CS for SB 50), Section 16 inserted a new paragraph (f) to section 443.131, F.S. and changed the calculation of tax rates for employers eligible for a variation of contribution rates based on benefit experience until certain conditions were met. The law retroactively applied a benefit multiplication factor of 0 (zero) to benefits paid from April 1, 2020 to December 31, 2020, effectively excluding these benefits from the rate calculation for each eligible employer. The law also excluded from the contribution rate calculation "noncharge benefits" or "benefits paid as a result of a

## **REEMPLOYMENT ASSISTANCE TAX (Unemployment Compensation Tax)**

governmental order related to COVID-19 to close or reduce capacity of a business.” In addition, Chapter 2021-2 suspended the application of the positive trust fund adjustment factor in the calculation of the contribution rate for the 2021 and 2022 calendar years. The law provided for the suspension of the application of a trust fund positive adjustment factor for calendar years 2023 and 2024 if the balance of the unemployment compensation trust fund on June 30 of any year did not exceed \$4,071,519,600.

The law directed DOR to recalculate CY 2021 rates for eligible employers based on the new stipulations. In addition, Chapter 2021-2 provided for a stepwise reduction in the benefit ratio multiplier of benefits paid from January 1, 2021 to June 30, 2021 if the estimated total contributions calculated were more than \$475.5 million in CY 2022. However, the latter condition was not met and the application of this stipulation did not occur. Further, DOR was directed to calculate rates for eligible employers through December 31, 2025 excluding benefits paid from April 1, 2020 to December 31, 2020, excluding noncharges due to COVID, and excluding the application of a positive trust fund factor. The aforementioned calculation method would be repealed in all future years if the balance of the Unemployment Compensation Trust Fund on June 30 of any year exceeded \$4,071,519,600.

Although there were no legislative changes to Chapter 443 or Chapter 212 relating to Reemployment Assistance, Fiscal Year 2023-24 marked several significant developments related to certain provisions of Chapter 2021-2, L.O.F. (CS for CS for SB 50) codified in Chapters 212 and 443. The ending balance of Florida’s Unemployment Compensation Trust Fund at the United States Department of the Treasury exceeded \$4,071,519,600 as of March 31, 2024 for the first time since the fund was nearly depleted during the COVID-19 pandemic period. On April 2, 2024, the Office of Economic and Demographic Research certified to the Department of Revenue that the fund balance exceeded this level, as required by Section 212.20(6)(d)6.e.(III). The satisfaction of this condition triggered the repeal of sub-subparagraph 212.20(6)(d)6.e. as of the date of the certification, as well as the end of the \$90 million monthly sales tax distributions to the Unemployment Compensation Trust Fund.

As required by s. 443.131(3)(e)6., the Office of Economic and Demographic Research advised the Department of Revenue that the trust fund balance continued to exceed the same statutory level on June 30, 2024. The satisfaction of that condition repealed subparagraph 5 of s. 443.131(3)(e) for calculation of employer contribution rates effective for the following calendar years. This subparagraph had suspended the application of a positive fund size adjustment factor that otherwise would have automatically increased tax contribution rates until the balance exceeded 4 percent of taxable payroll for the prior fiscal year. With the trust fund deemed replenished, the application of a fund size adjustment factor now reverts to the regular statutory calculations. Subparagraph 5 had also excluded from the rate calculation any benefit charges directly related to COVID-19 as a result of a governmental order to close or reduce capacity of a business, for each employer who is eligible for a variation from the standard rate. This in effect suppressed contribution rates, which would have otherwise increased to ensure employers pay contribution rates according to the level of separations they initiated as provided elsewhere in statute. The tax collection service provider will no longer exclude these COVID-related charges from the calculation of tax rates.

In summary, all COVID-19 taxpayer relief provisions had effectively been repealed, with the Reemployment Assistance tax calculated for 2025 and each subsequent calendar year as otherwise provided in Chapter 443. Between May 2021 and March 2024, the trust fund was replenished to sustainable levels by a total infusion of \$2,863.6 million of non- Reemployment Assistance tax funds, including distributions from sales tax and transfers from GR.

## REEMPLOYMENT ASSISTANCE TAX (Unemployment Compensation Tax)

Subsequently, during the 2025 legislative session, Chapter 2025-5, L.O.F. (SB 40) deleted repealed, inoperative, or expired statutory text, which emanated from Chapter 2021-2, L.O.F. (CS for CS for SB 50); otherwise, no substantive changes to Chapter 443 were made.

### BASE AND RATE:

The tax is applied to employees' annual wages up to \$7,000. The employer pays a rate varying from 0.1 percent to 5.4 percent, depending on the benefit experience of the employer.

### DISPOSITION:

Unemployment Compensation Clearing Trust Fund: Collections are received by the Department of Revenue and then deposited in the U. S. Treasury. From there, they are withdrawn as needed to pay benefits through the Unemployment Compensation Benefit Trust Fund.

### OTHER STATES:

All states have unemployment benefit plans complying with Federal legislation. In 2025, employee taxable wage bases ranged from the federal minimum of \$7,000 in Arkansas, California, Florida, and Tennessee, as well as Puerto Rico, to \$72,800 for Washington. The average employer base contribution tax rates ranged between 0.35 (South Dakota) and 3.40 (Pennsylvania) percent of taxable wages in calendar year 2024 in the continental United States. Florida's actual average tax rate was 0.83 percent of taxable wages in calendar year 2024. Massachusetts had the highest maximum employer tax rate, set at 12.65 percent. Florida and 13 other states, as well as Puerto Rico and the Virgin Islands, fixed the maximum tax rate at 5.4 percent, which is the lowest maximum tax rate states can set under Federal law without affecting their employers' tax credits.

### FLORIDA UNEMPLOYMENT COMPENSATION TRUST FUND ACCOUNT AT THE UNITED STATES TREASURY:

Fiscal Year	Revenue*	Other Deposits	Benefits**	Other Withdrawals	Fund Balance (June)***
2024-25	644,439,387	27,145,116	307,473,740	20	4,835,345,978
2023-24	1,538,303,156		191,373,346	431,990	4,471,235,235
2022-23	1,765,179,780	610	388,218,471	42	3,124,737,415
2021-22	1,140,820,875	31,247,682	339,398,732	36,268,057	1,747,775,538
2020-21	1,154,231,839	127,270,410	2,773,988,427	190,298,479	951,373,770
2019-20	499,856,573	69,571,999	2,014,562,616	6,500,000	2,634,158,427
2018-19	560,674,178	4,530,728	349,170,319	4,500,000	4,085,792,471
2017-18	660,502,789	6,545,760	402,932,884	7,100,515	3,874,257,884
2016-17	859,430,039	12,641,012	414,761,012	32,972,516	3,617,242,734
2015-16	1,114,520,031	3,320,556	459,717,080	28,590,036	3,192,905,212
2014-15	1,581,804,065	8,362,215	642,080,085	51,891,270	2,563,371,741
2013-14	1,919,615,603	20,665,594	935,478,958	9,063,628	1,667,176,817
2012-13	2,673,839,429	38,135,565	1,166,530,094	905,114,428	671,438,205

\* Revenue includes net collections, interest, federal program advances, and transfers from the General Revenue fund.

\*\* Benefits include regular, extended, and Federal Supplemental Benefits programs.

\*\*\* Fund balance is end of month at the US Treasury and it includes all other deposits or withdrawals for administrative, loan repayment, and other purposes, not directly related to benefit payments.

## RENTAL CAR SURCHARGE

FLORIDA STATUTES: Section 212.0606

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Rental car surcharge is imposed at the rate of \$2.00 per day, for the first 30 days of the lease or rental of for-hire vehicles designed to carry fewer than nine passengers. Members of a car-sharing service pay \$1.00 per usage under 24 hours and \$2.00 per day after the first 24-hour period. Rentals which are facilitated through a peer-to-peer car sharing service pay \$1.00 per day.

### REVENUE:

Fiscal Year	Total** Collections	Annual Change %	State Transportation Trust Fund	FL International Trade and Promotion TF	Tourism Promotional Trust Fund
2026-27*	169,800,000	0.71%	135,900,000	7,200,000	26,700,000
2025-26*	168,600,000	0.61%	134,800,000	7,200,000	26,600,000
2024-25	167,577,182	0.37%	134,061,745	7,122,030	26,393,406
2023-24	166,959,593	11.78%	133,567,674	7,095,783	26,296,136
2022-23	149,371,127	0.42%	119,496,902	6,348,273	23,525,953
2021-22	148,740,683	35.45%	118,992,546	6,321,479	23,426,658
2020-21	109,808,190	-31.54%	87,846,552	4,666,848	17,294,790

\* Estimate

\*\* Excluding administrative fees and service charge

### HISTORY:

The initial surcharge was set at \$0.50 per day in 1989. It was applied to each of the first 30 days of either the lease or rental of a motor vehicle licensed for hire and designed to carry fewer than nine passengers. The proceeds of the \$0.50 surcharge were distributed 20 percent to the Law Enforcement Trust Fund (managed by the Department of Highway Safety and Motor Vehicles) and 80 percent to the Children and Adolescents Substance Abuse Trust Fund (managed by the Department of Health and Rehabilitative Services).

In its 1990 session, the Legislature raised the surcharge to \$2.00 per day, effective July 1, 1990, and revised the distribution requirements so that, after administrative costs and the 8 percent General Revenue Service Charge (increased from 7.3 percent to 8 percent by the 2009 Legislature) were deducted, the State Transportation Trust Fund (STTF) received 75 percent of the total proceeds (or \$1.50 of the \$2.00 fee) and the remaining 25 percent was divided between the former recipients in their same relative proportion. The 1991 Legislature revised the distributional breakout still further. The 5 percent of total receipts that had been deposited in the Law Enforcement Trust Fund was redirected to the General Revenue Fund. The share previously distributed to the Children and Adolescents Substance Abuse Trust Fund (20 percent of the total) was, instead, divided between the Tourism Promotional Trust Fund (15.75 percent) and the Florida International Trade and Promotion Trust Fund (4.25 percent). In the 2000 session, the Legislature redirected the General Revenue portion (5 percent of the total) to the STTF. The Department of Transportation now receives 80 percent of the surcharge (excluding administrative costs and the 8 percent General Revenue Service Charge). The tax distributed to the STTF is unique in that beginning in Fiscal Year 2007-08, its proceeds must be spent in the transportation district from which the surcharges were collected. In the 2014 session, the Legislature amended the statute to allow a member of a car-sharing service who used a motor vehicle pursuant to an agreement with the car-sharing service for less than 24 hours pay \$1 per usage. A member of a car-sharing service who uses the same motor vehicle for at least



## **RENTAL CAR SURCHARGE**

24 consecutive hours must pay a surcharge of \$2 per day or any part of a day. During the 2021 session, the statute was amended to enhance the enforceability of the surcharge when rentals are facilitated through a peer-to-peer car sharing service and to reduce the surcharge to \$1 per day when rentals are facilitated through a peer-to-peer car sharing service.

### **BASE AND RATE:**

Rental car surcharge is imposed at the rate of \$2.00 per day, for the first 30 days of the lease or rental of for-hire vehicles designed to carry fewer than nine passengers. Members of a car-sharing service pay \$1.00 per usage under 24 hours and \$2.00 per day after the first 24-hour period. Rentals which are facilitated through a peer-to-peer car sharing service pay \$1.00 per day.

### **DISPOSITION:**

The State Transportation Trust Fund (80 percent), the Tourism Promotional Trust Fund (15.75 percent), and the Florida International Trade and Promotion Trust Fund (4.25 percent).

### **OTHER STATES:**

Rental car surcharge varies considerably from state to state.

## SALES AND USE TAX

FLORIDA STATUTES: Chapter 212

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The state sales and use tax is a 6 percent levy on retail sales of most tangible personal property, admissions, transient lodgings, and motor vehicles.

### REVENUE:

Fiscal Year	Collections@	Annual Change %
2026-27*	41,844,000,000	2.04
2025-26*	41,008,100,000	-0.21
2024-25	41,096,353,791	0.03
2023-24	41,084,806,780	-0.16
2022-23	41,151,629,160	6.66
2021-22	38,581,579,589	26.94
2020-21	30,393,280,928	10.31

### Distributions of the General Sales and Use Tax\*\*@

Fiscal Year	General Revenue	Local Governments ***	Unemployment Compensation Trust Fund Distribution	Fixed Distributions to Trust Funds	Sports Facilities Transfer	Emergency Distribution	Public Employees Relations Commission Trust Fund
2026-27*	37,577,600,000	4,183,200,000	0	27,700,000	16,800,000	35,700,000	2,900,000
2025-26*	36,822,400,000	4,100,100,000	0	27,700,000	20,200,000	35,000,000	2,800,000
2024-25	36,906,972,323	4,100,207,034	0	27,683,996	23,833,369	34,885,166	2,771,902
2023-24	36,014,016,258	4,169,721,450	810,000,000	27,683,996	25,666,706	34,876,578	2,841,792
2022-23	35,800,209,922	4,204,981,071	1,080,000,000	183,996	28,458,380	34,920,262	2,875,528
2021-22	34,039,683,116	3,950,361,297	527,417,205	183,996	28,500,048	32,735,321	2,698,606
2020-21	27,158,074,098	3,178,626,201	0	183,996	28,500,048	25,720,207	2,176,378

\* Estimate

\*\* These figures reflect estimated distributions based on the state's fiscal year of July 1 to June 30.

\*\*\* Local Government distributions include the half-cent, county and municipal revenue sharing, and the shift of \$29,915,500 to counties that used to be funded from pari-mutual tax revenues.

@ These figures include state Communication Services Taxes imposed under Chapter 202, F.S.

### HISTORY:

Since enactment in 1949, Florida's sales tax rate and/or base has been changed to some degree in nearly every legislative session. The most substantial increases were: in 1957, when inexpensive clothing, motor vehicles (1 percent rate), mixed drinks, cigarettes, and industrial machinery (\$1,000 maximum) were added; in 1968, when rates were increased from 3 percent to 4 percent on most items (2 percent on motor vehicles); in 1971, when rates on motor vehicles were made equal to the state rate; in 1982, when rates were increased from 4 percent to 5 percent and for the first time a portion of the receipts were deposited into a trust fund (the trust monies, approximately 10 percent of total receipts, were distributed annually to eligible municipal and county governments); and in 1988 when the rates were again increased from 5 percent to 6 percent.

## SALES AND USE TAX

Chapter 83-310, L.O.F., created the "estimated sales tax liability" which was equal to 66 percent of the current month's sales tax liability or 66 percent of the tax liability for the same month in the prior year. The estimated sales tax liability rate of 66 percent was replaced in 1984 with a declining schedule from 50 percent for 1986 to 10 percent in 1990 and set for repeal by December 31, 1990. Chapter 90-132, L.O.F. (HB 3695), increased the estimated sales tax liability for businesses with annual sales tax liability in excess of \$200,000 from 10 percent to 66 percent, and in 1991 the threshold for estimated sales tax payments was reduced to \$100,000.

The 1986 Legislature passed Chapter 86-166, L.O.F., which repealed the sales tax exemption for all services and for 44 non-service exemptions effective July 1, 1987. During the 1987 Regular Session, the Legislature passed CS/SB 777 (Chapter 87-6, L.O.F.) and CS/HB 1506 (Chapter 87-101, L.O.F.), which integrated the tax on services with the current tax on tangible personal property, provided a number of exemptions from the tax on services and reinstated selected service and non-service exemptions repealed in 1986.

During Special Session D in December 1987, the Legislature passed CS/CS/SB 5D and 6D (Chapter 87-548, L.O.F.). Effective January 1, 1988, the sales tax on all services taxed in 1986 or 1987 was repealed and the general sales tax rate was increased from 5 percent to 6 percent. The formula for the distribution of the half-cent sales tax to local governments was also changed. The cap on the State Infrastructure Fund was changed in 1987 and 1988. The "Fairness in Retail Sales Taxation Act" was created in 1987. The act requires every retailer who transacts a mail order sale in Florida to levy, collect, and remit the state sales tax.

In 1988, an additional annual sales tax dealer registration fee of \$25 to \$50 was levied and the transfer of 0.2 percent of total sales tax collections to the Solid Waste Management Trust Fund was required. The dealer collection allowance was amended in 1988, 1990, 1991, and 1992. A surcharge of 50 cents per day was imposed upon the lease or rental of for-hire motor vehicles designed to carry fewer than nine passengers in 1989 and increased to \$2.00 in 1990, with the \$1.50 increase for deposit into the State Transportation Trust Fund. The distribution for the rental car surcharge was changed in 1991. In 1991, the admissions tax was applied for the first time to all recreational or physical fitness facility fees. Amusement game machine sales were made subject to the sales tax in 1991. The gross receipts from vending machine sales became taxable at a calculated rate. The 1991 Legislature authorized, effective July 1, 1992, \$166,667 of sales tax revenue to be distributed monthly to each applicant who qualifies as a "facility for a new professional sports franchise" and \$41,667 to be distributed monthly to each applicant who qualifies as a "new spring training franchise."

In 1992, the sales tax on nonresidential telecommunication and electric services was increased from 6 percent to 7 percent. Effective September 1, 1992, a 6 percent sales and use tax was imposed on burglar protection services, detective services, nonresidential cleaning and pest control services, and the sale of rare coins. The dealer collection allowance was capped at \$30 per month and enterprise zone tax credits were revised. In addition, penalties for failure to pay sales and use taxes were doubled. Services that are subject to the state sales and use tax were made subject to local option sales and use taxes in 1993. The exemption from the local option tax for goods which cost more than \$5,000 does not apply to service transactions. In addition, conditions under which a sale of tangible personal property or a service is deemed to occur in a certain county and when a local option tax applies to dealers outside a county were revised. The Legislature authorized \$166,667 of sales tax revenue to be distributed monthly to an applicant certified by the Department of Commerce as the professional golf hall of fame, for up to 300 months. In 1994, the emergency distribution from the Local Government Half-Cent Sales Tax Clearing Trust Fund to qualified counties was changed from an annual General Revenue appropriation of not less than \$5.5 million to 0.054 percent of the remaining sales tax collection after specific distributions. Effective January 1, 1995, the sales tax on amusement machines was reduced from 6 percent to 4 percent and effective July 1, 1995, an annual \$20 sticker per amusement machine was required. In 1995, the per-machine decal for amusement machines was replaced by a location certificate for the number of machines at a location times \$30. The sports facility rebate was expanded to include current sports franchises.

The 1996 Legislature adopted a sales tax exemption for charges of electricity used to run certain machinery and equipment. The exemption was phased in over a five-year period beginning July 1, 1996.

## SALES AND USE TAX

Also in 1996, the \$100,000 threshold for qualification for the machinery and equipment sales tax exemption for expanding businesses was decreased to \$50,000. In addition, the new and expanding industry sales tax exemption was expanded to include printing firms and those publishing firms that export at least 50 percent of their finished product out of the state. The 1997 Legislature adopted a sales tax exemption for Internet access service and similar on-line computer services by removing them from the definition of telecommunication services. In addition, Chapter 97-50, L.O.F. (SB 780/520/692), created the Rural Job Tax Credit Program and the Urban High Crime Area Job Tax Credit Program. Each program authorizes qualified corporations to take a tax credit per eligible employee of \$500, \$1,000, or \$1,500. This credit can be taken against the sales and use tax or the corporate income tax, but not both. The 1998 Legislature enacted a sales tax free week in August 1998 for clothing sold for \$50 or less. It also extended the reduced 3 percent tax rate for some agricultural equipment to the rental of such equipment and to a variety of other agricultural equipment. Also exempted from sales tax were machinery and equipment purchased for a printing facility that expands by at least 10 percent and pollution control and solid waste management equipment.

The 1999 Legislature re-enacted a sales tax free week; this time however, it lasted nine days and covered clothing sold for less than \$100. The threshold for estimated payments was raised to \$200,000 and the percentage lowered to 60 percent. Also, exemptions for the labor portion of repair of machinery and equipment, various advertising agency and printer purchases, and overhead expenses for government contractors were enacted. The 2000 Legislature enacted new exemptions for the space and semi-conductor industry, for the movie and entertainment industry, and for all 501(c)(3) organizations. It also repealed the additional registration fee for large dealers. Previously funded distributions to local government from the intangibles, tobacco, and pari-mutual tax revenues were redirected to the sales tax. Also, effective October 1, 2001, the taxation of communications services was moved to a new Chapter 202, F.S. The 2001 Legislature enacted a tax holiday on purchases of clothing and school supplies of \$50 or less.

Chapter 2003-404, L.O.F. (SB 12-A), reduced the sales tax distribution to the Local Government Half-Cent Sales Tax Trust Fund by 0.1 percent effective July 1, 2003. The 0.1 percent of sales tax collections was then distributed to the Public Employees Relations Commission Trust Fund, less \$5,000 each month. The \$5,000 each month was distributed to qualified counties pursuant to s. 218.65, F.S. Chapter 2003-402, L.O.F. (HB 113-A), changed sales tax distributions to local governments in order to provide funding for the judicial system. Effective July 1, 2004, sales tax distributions were changed as follows: the Local Government Half-Cent Sales Tax Trust Fund was reduced from 9.653 percent to 8.814 percent; the Emergency Distribution was increased from 0.065 percent to 0.095 percent; the County Revenue Sharing Trust Fund was reduced from 2.25 percent to 2.044 percent; and the Municipal Revenue Sharing Trust Fund was increased from 1.0715 percent to 1.3409 percent. The 2005 Legislature enacted sales tax holidays for clothing, books, school supplies, and hurricane preparedness articles. The Legislature also re-enacted the community contribution credit and increased the cap to \$12 million, as well as fully exempted agricultural equipment.

Chapter 2007-53, L.O.F. (HB 721), provided a sales tax exemption for payments to a postsecondary educational institution for the right to conduct bookstore operations. This exemption applied retroactively to payments made on or after January 1, 2006. Also in 2007, the Legislature enacted sales tax holidays for clothing, books, school supplies, energy efficient products, and hurricane preparedness articles. Section 23 of Chapter 2007-106, L.O.F. (SB 2482), provided an exemption for certain charges for delivery, inspection, and placement of furniture and appliances. The 2007 Legislature also provided an exemption on land owned by the Florida Turnpike Enterprise and exempted electricity used on a farm.

Chapter 2008-153, L.O.F. (HB 5003), provided tax credits equal to 50 percent of a community contribution to projects that provide homeownership opportunities for low-income or very low income households. Credits were capped at \$200,000 per business annually and the program capped the credits at \$13.0 million for Fiscal Year 2008-09 only. These credits could be used for sales tax, corporate income tax, or insurance premium tax. Chapter 2009-68, L.O.F. (SB 1750), removed the distribution of sales and use taxes to the Ecosystem Management and Restoration Trust Fund and redirected those monies to general revenue.

## SALES AND USE TAX

In 2010, the Legislature enacted a sales tax holiday lasting for three days, covering clothing and books under \$50 and school supplies under \$10. Chapter 2010-147, L.O.F. (SB 1752), provided a cap of \$18,000 on the tax collected on the sale or use of a boat, limited the tax on fractional aircraft to \$300, provided a tax credit for certain film and entertainment companies, and expanded the exemption for sales tax on admissions to championship games to include the MLB Home Run Derby, the NFL Pro Bowl, and any all-star games for either the NBA or NHL.

Chapter 2011-76, L.O.F. (HB 143), provided a three-day sales tax holiday on clothing and shoes under \$75 and school supplies under \$15.

Chapter 2012-32, L.O.F. (HB 7087), provided a three-day back-to-school sales tax holiday exempting sales tax for clothing and shoes under \$75 and school supplies under \$15; extended credit through Fiscal Year 2015-16 for the film entertainment industry; provided credit against sales tax for some enterprise zones; modified an existing urban high-crimes job credit; provided sales tax exemption for sales or leases on taxicabs with handicap accessible capabilities; exempted sales tax for turbine engine manufacturing; expanded the manufacturers' machinery and equipment exemption; exempted sales tax on electricity used in beef and pork packing houses; and exempted sales tax on repair costs for aircrafts with weight between 2,000 and 15,000 pounds. Chapter 2012-145, L.O.F. (HB 5701), eliminated the sales tax collection allowance for paper filers. Chapter 2012-104, L.O.F. (HB 59), expanded the definition of spaceport territory to include additional counties and areas in the state. Chapter 2012-22, L.O.F. (HB 859), revised the limitations on the amount of tax credits available for contributions to the Florida Tax Credit Scholarship Program, some of which may come from holders of a direct pay sales tax certificate.

Chapter 2013-42, L.O.F. (SB 406), provided a three-day sales tax holiday on clothing and shoes less than \$75, school supplies less than \$15, and personal computers and accessories less than \$750; amended the brownfield building materials refund, exempted natural gas used in a fuel cell, exempted certain rotary wing aircraft, and provided distributions for spring training facilities. Chapter 2013-82, L.O.F. (HB 423), exempted off-highway dyed diesel used in commercial fishing. Chapter 2013-39, L.O.F. (HB 7007), provided a temporary exemption for machinery and equipment purchased by certain specified industrial classifications; the exemption was effective April 30, 2014 and expired April 30, 2017.

Chapter 2014-199, L.O.F. (HB 343), provided for a surcharge of \$1 per usage of less than 24 hours for certain uses by car sharing services. Chapter 2014-38, L.O.F. (HB5601), clarified the definition of "Prepaid Mobile Communication Services" which are subject to sales and use tax; extended the Community Contribution tax credit until 2017; added cement mixers to the eligible items for the temporary manufacturing machinery and equipment exemption authorized in 2013; exempted certain college meal plans; exempted child car seats; exempted therapeutic pet food; exempted youth bicycle helmets; provided a method for private label credit cards to take a credit for bad debt; reduced the sales tax rate on commercial electricity from 7 percent to 4.35 percent and provides for revised distributions from sales tax to local governments through the Local Government Half Cent Revenue Sharing Program, the County Revenue Sharing Program, and the Municipal Revenue Sharing Program; provided a nine-day sales tax holiday on certain hurricane preparedness items; provided a three day sales tax holiday for the first \$1,500 of sales price on certain energy efficient appliances, and provided a three day sales tax holiday on clothing and footwear less than \$100, school supplies less than \$15, and for the first \$750 of the sales price for computers and accessories.

Chapter 2015-221, L.O.F. (HB33A), provided an exemption for certain agricultural products including irrigation equipment, replacement parts and accessories for power farm equipment and irrigation equipment, repairs of power farm equipment and irrigation equipment, stakes used by a farmer to support plants during agricultural production and the sale price below \$20,000 of a trailer weighing 12,000 pounds or less when purchased by a farmer for exclusive use in agricultural production or to transport farm products; provided an exemption for admissions and membership fees for gun clubs; provided a one-year exemption for textbooks and printed and digital materials required for postsecondary education; exempted any motor vehicle purchased or used for six months or longer in a foreign country by an active member of the United States Armed Forces or that member's

## SALES AND USE TAX

spouse; provides a cap on the amount paid for repairs of boats at \$60,000; provided a 10-day sales tax holiday on clothing and shoes priced at \$100 or less and personal computers and accessories priced at \$750 or less.

Chapter 2016-220, L.O.F. (HB7099), provided a permanent extension of the sales tax exemption for certain manufacturing machinery and equipment and expanded the exemption to include machinery and equipment used for certain agricultural postharvest activities and metals recycling; provided an exemption for sales of food and drink by military veterans service organizations to their members; provided a three-year phase out of the tax on asphalt used for government public works projects; provided a three-day sales tax holiday on clothing and shoes priced at \$60 or less and school supplies priced at \$15 or less.

Chapter 2017-36, L.O.F. (HB7109), reduced the tax rate on the rental of commercial real estate from 6 percent to 5.8 percent beginning January 1, 2018; provided a sales tax exemption for certain feminine hygiene products, certain animal and aquaculture health products, certain resales of admissions, certain products purchased for the operation and maintenance of municipally owned golf courses by third parties, purchases of certain construction materials, equipment and electricity for datacenters and purchases of certain materials, goods and services used for new construction in Rural Areas of Opportunity; provided a three-day sales tax holiday on clothing and shoes priced at \$60 or less, school supplies priced at \$15 or less, and personal computers and accessories priced at \$750 or less; provided a three-day sales tax holiday on certain items related to disaster preparedness.

Chapter 2018-6, L.O.F. (HB 7055) created the Hope Scholarship Program and the Florida Sales Tax Credit Program.

Chapter 2018-118, L.O.F. (HB 7087) further reduced the tax rate on the rental of commercial real estate from 5.8 percent to 5.7 percent beginning January 1, 2019; provided a three-day sales tax holiday on clothing and shoes priced at \$60 or less and school supplies priced at \$15 or less; provided a seven-day sales tax holiday for certain items related to disaster preparedness; provided certain refunds for farm buildings and fencing materials damaged by Hurricane Irma; provided exemptions for roll off containers, and provided certain aquaculture exemptions.

Chapter 2019-42, L.O.F. (HB 7123) reduced the tax rate on the rental of commercial real estate from 5.7 percent to 5.5 percent beginning January 1, 2020; provided a five-day sales tax holiday on clothing and shoes priced at \$60 or less, school supplies priced at \$15 or less, and personal computers and accessories priced at \$1000 or less; provided a seven-day sales tax holiday for certain items related to disaster preparedness; provided an exemption of items purchased for resale and subsequently donated to 501(c)(3) organizations; and provides refunds for sales tax paid on agricultural fencing and building materials for property damaged by Hurricane Michael.

Chapter 2021-2, L.O.F. (SB 50) (“Park Randall ‘Randy’ Miller Act”) required out-of-state retailers and marketplace providers with no physical presence in Florida to collect Florida’s sales tax on sales of taxable items delivered to purchasers in Florida if the out-of-state retailers or marketplace provider makes a substantial number of sales into Florida; required out-of-state retailers and marketplaces providers to collect a county’s local discretionary sales surtax when a taxable item is delivered into a county that imposes a surtax; and provided a reduction of the tax rate on the rental of commercial real estate from 5.5 percent to 2.0 percent effective on the first day of the second month following the repeal of s. 212.20(6)(d)6.h., F.S.

Chapter 2021-31, L.O.F. (HB 7061) provided a ten-day back-to-school sales tax holiday exempting sales tax for clothing and shoes under \$60, school supplies under \$15, and the first \$1000 of the sales price of personal computers and accessories; provided a ten-day sales tax holiday for certain items related to disaster preparedness; provided a seven-day sales tax holiday for certain items related to recreational activities and specified admissions; provided a sales tax exemption for certain tangible personal property items that assist in independent living; and created the Strong Families Tax Credit Program.

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Chapter 2021-193, L.O.F. (HB 3) provided a tax credit for donations to the New Worlds Reading Initiative. The New Worlds Reading Initiative is a program providing books to elementary school students in Florida who read below their current grade level. The tax credits are a dollar-for-dollar credit against the business's liability for several state taxes including the Sales and Use Taxes due from direct pay permits holders. The annual cap for the program is \$60 million per state fiscal year.

Chapter 2022-97, L.O.F. (HB7071) provided an exemption for admission to FIFA World Cup matches, Formula One Grand Prix races, and Daytona 500 events; provided a 3% tax on the retail sale of new mobile homes; provided an exemption for agricultural fences; expands the exemption for agricultural trailers; provided an exemption for machinery and equipment for the production of electrical or steam energy from the burning of hydrogen; provides a three-month sales tax holiday on the retail sale of children's books; halts sales tax collection on "Energy Star appliances" including certain appliances selling for \$1,500 or less, and refrigerator or combination refrigerator/freezers selling for \$3,000 or less, from July 1, 2022, through June 30, 2023; halts sales tax collection on children's diapers and baby/toddler clothes, apparel, and shoes from July 1, 2022, through June 30, 2023; halts sales tax collection on the retail sale of impact-resistant windows, doors, and garage doors from July 1, 2022 through June 30, 2024; provides a 14-day sales tax holiday for clothing and shoes \$100 or less, school supplies \$50 or less, learning aids \$30 or less, and computers or related accessories \$1,500 or less; provided a 14-day sales tax holiday on certain disaster preparedness items; provided a week-long sales tax holiday for admission to certain events/activities and the retail sale of certain accessories related to these activities; provided a week-long sales tax holiday for certain tools commonly used by skilled trade workers.

Chapter 2023-157, L.O.F. (HB7063) reduced the tax rate on the rental of commercial real estate from 5.5 percent to 4.5 percent beginning December 1, 2023; provided a sales tax exemption for baby and toddler products including baby cribs, baby strollers, baby safety gates, baby monitors, child safety locks and latches, bicycle child carrier seats and trailers, baby exercisers, breast pumps, baby wipes, changing tables, children's diapers and baby and toddler clothing and shoes for children age 5 or younger; provided a sales tax exemption for diapers and incontinence products; provided an exemption for oral hygiene products; provided an exemption for firearm safety devices; provided an exemption for private investigators; provided an exemption for materials used to construct or repair fencing used to contain cattle on agricultural land; and provided a sales tax exemption for machinery and equipment that is primarily used in the production, storage, transportation, compression or blending of renewable natural gas. Also in 2023, the Legislature provided a one year sales tax holiday on natural gas ranges and cooktops; provided a one year sales tax holiday on energy star appliances; provided two 14-day back-to-school sales tax holidays exempting sales tax for clothing, wallets and bags under \$100, school supplies under \$50, learning aids and jigsaw puzzles under \$30 and personal computers and accessories under \$1,500 per item; provided two 14-day sales tax holidays for certain items related to disaster preparedness; provided a three-month sales tax holiday for certain items related to recreational activities and specified admissions; and provided a 7-day sales tax holiday for tools and equipment commonly used in skilled trades.

Chapter 2024-158, L.O.F. (HB7073) provided a 14-day back-to-school exemption for certain clothing and school supplies, two 14-day disaster preparedness exemptions for disaster preparedness supplies, a 31-day freedom month exemption for recreational items and activities, and a 7-day tool time exemption for tools. Additionally, the bill allowed leasing companies to pay sales tax up front on vehicles, allowed Duval County to levy an indigent care sales surtax if voters approve, and provided instructions for how an invalid discretionary sales surtax is to be suspended.

Chapter 2025-208, L.O.F. (HB 7031) provided a hunting, fishing, and camping exemption on ammunition, firearms, firearm accessories, bows, crossbows, bow and crossbow accessories, camping supplies, and fishing supplies from September 8 through December 31, 2025. The bill also provided a permanent back-to-school exemption on clothing, wallets, bags, apparel, footwear, school supplies, learning aids, jigsaw puzzles, personal computers of \$1,500 sale price or less, and computer accessories occurring annually in the month of August. Additionally, the following items became permanently exempt: admissions to the NASCAR Cup Series Championship Race, sanctioned by NASCAR, when held at the Homestead-Miami Speedway, including any qualifying or support races held at the same track up to 72 hours before the race; admission to state parks;

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batteries; bicycle helmets; bullion; carbon monoxide detectors; fire extinguishers; ground anchor systems; insect repellent; life jackets; portable gas cans; portable generators; smoke detectors; sunscreen; and tarpaulins. Finally, the bill repeals the tax on commercial rent. In addition, Chapter 2025-100, L.O.F. (HB 999) provided a tax exemption for any gold coin or silver coin recognized as legal tender in this state pursuant to s. 215.986, F.S.

### BASE AND RATE:

Chapter 212, F.S.: 6 percent - retail sales of most tangible personal property items; admissions to amusements; transient lodgings; motor vehicles; and ships and commercial fishing equipment. 6 percent - burglar protection services; detective services; nonresidential cleaning and pest control services. 4.35 percent - nonresidential electric services, and 4 percent - coin-operated amusement machines. Use tax is imposed at corresponding rates. The 6.8 percent tax on cable and non-residential telephone services can be found in Chapter 202, F.S. – see the communications services tax chapter in this publication.

### DISPOSITION:

General sales and use tax:

Ecosystem and Restoration Management Trust Fund: the 0.2 percent distribution from total sales tax collections was removed by Chapter 2009-68, L.O.F. (SB 1750), and the monies were redirected to the General Revenue Fund.

Local Government Half-Cent Sales Tax Clearing Trust Fund: 8.9744 percent of collections remaining after distribution to the General Revenue Fund in the amount previously distributed to the State Infrastructure Fund and the Ecosystem and Restoration Management Trust Fund. Beginning July 1, 2003, the amount to be transferred to the Local Government Half-Cent Sales Tax Clearing Trust Fund was reduced by 0.1 percent. The 0.1 percent, less \$5,000 each month, is distributed to the Public Employees Relations Commission Trust Fund.

Fiscally Constrained Counties: Since July 1, 2006, a special distribution of 30 percent of the remaining portion of communications services tax proceeds remitted under Chapter 202, F.S., and transferred to the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to s. 202.18(2)(c), F.S., is distributed to fiscally constrained counties in accordance with s. 218.67, F.S.

A fiscally constrained county is defined by s. 218.67(1), F.S., as any county that is entirely within a Rural Area of Critical Economic Concern as designated by the Governor pursuant to s. 288.0656, F.S., or each county for which the value of a mill will raise no more than \$5 million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., F.S., from the previous July 1.

In all, 29 counties are receiving fiscally constrained county distributions from the Half-Cent Sales Tax Clearing Trust Fund. When these distributions began in Fiscal Year 2006-07, 30 counties were receiving the distribution; Sumter County has since fallen off. The following table depicts the estimated distributions from the Half-Cent Sales Tax Clearing Trust Fund to fiscally constrained counties in the 2025-26 fiscal year:



## SALES AND USE TAX

### Estimated Fiscally Constrained County Distributions for Fiscal Year 2025-26

No.	COUNTY	Fiscally Constrained Distribution	No.	COUNTY	Fiscally Constrained Distribution
1	Baker	\$256,376	16	Holmes	\$510,258
2	Bradford	\$351,528	17	Jackson	\$278,355
3	Calhoun	\$332,840	18	Jefferson	\$289,066
4	Columbia	\$273,613	19	Lafayette	\$348,326
5	De Soto	\$281,262	20	Levy	\$305,505
6	Dixie	\$336,190	21	Liberty	\$331,710
7	Franklin	\$181,866	22	Madison	\$327,883
8	Gadsden	\$305,856	23	Okeechobee	\$280,974
9	Gilchrist	\$289,805	24	Putnam	\$293,841
10	Glades	\$309,468	25	Suwannee	\$314,971
11	Gulf	\$206,633	26	Taylor	\$271,090
12	Hamilton	\$363,517	27	Union	\$537,294
13	Hardee	\$296,098	28	Wakulla	\$271,991
14	Hendry	\$251,231	29	Washington	\$291,027
15	Highlands	\$273,177			
	TOTAL				\$8,961,750

Emergency Distribution: After the above mentioned distributions, 0.0966 percent is transferred to the Local Government Half-Cent Sales Tax Clearing Trust Fund, along with \$5,000 per month, and distributed to qualified counties pursuant to s. 218.65, F.S.

County Revenue Sharing: After the above distributions, 2.0810 percent is transferred to the County Revenue Sharing Trust Fund. (These distributions used to be funded from intangibles taxes.)

Municipal Revenue Sharing: After the first three distributions, 1.3653 percent is distributed to the Municipal Revenue Sharing Trust Fund. (These distributions used to be funded from tobacco taxes.)

County Distribution: \$29,915,500 is distributed to counties in even shares. (These distributions used to be funded from the pari-mutuel tax.)

Professional Sports Franchise: \$166,667 distributed monthly to each applicant who qualifies as a "facility for a new professional sports franchise" and \$41,667 monthly to each applicant who qualifies as a "new spring training franchise."

Professional Golf Hall of Fame: \$166,667 distributed monthly to an applicant certified by the Department of Economic Opportunity, for up to 300 months. The last scheduled distribution to the selected applicant (St. Johns County Industrial Development Authority) was June 2023.

General Revenue Fund: Remainder of taxes remitted.

#### OTHER STATES:

Alaska, Delaware, Montana, New Hampshire, and Oregon do not have a state sales tax. Rates in other levying states (other than special rates for specified types of transactions) vary from 2.9 percent to 7.25 percent. The median rate is 6 percent and many states allow local option sales taxes. Fifteen states have higher state rates than Florida. Twenty-seven states have higher state and local rates than Florida, where at least one local jurisdiction levies that rate. Individual state's rates can be found at [www.taxadmin.org](http://www.taxadmin.org).

## SALES AND USE TAX

VALUE OF RATE CHANGE:	<u>2026-27</u>
Value of 1 percent levy on tax base	(millions)
Chapters 212 and 202, F.S.	\$7,231.7

Note: The above estimate does not take into account reduced or increased demand as a result of the price effect of a tax change.

### DISTRIBUTION TO LOCAL GOVERNMENT:

Local Government Half-Cent Sales Tax (s. 218.61, F.S.)	\$2,883.4
County Revenue Sharing (s. 212.20(6)(d)5, F.S.)	\$766.8
Municipal Revenue Sharing (s. 212.20(6)(d)6, F.S.)	\$503.1
County Share (s. 212.20(6)(d)7, F.S.)	\$29.9

### ALTERNATIVE BASES:

Convert sales tax to an invoice-credit value added tax (tax all final consumption at 6 percent)	\$79,271.2
Broaden resale exemption under current sales tax to exempt any business purchase	(\$11,830.6)

**EXCLUSIONS, EXEMPTIONS, DEDUCTIONS AND CREDITS FROM THE SALES & USE TAX**

**In Statutory Order**

Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
1	1949	212.02(1),212.04(1)(b)	Federal tax on admissions.	0.9	H
2	1990	212.02(1)	Hospital physical fitness facility charges.	6.0	H
3	1949	212.02(2)	Occasional or isolated sales by businesses and individuals. (*1)	24.5	M
4	1970	212.02(2)	Rent on low income housing.	3.8	H
5	1990	212.02(2)	Leasing of real property between certain corporations.	11.0	B
6	1979	212.02(10)(g)	Per diem and mileage charges paid to owners of railroad cars.	2.1	B
7	1995	212.02(10)(j)	Privilege, franchise and other fees paid to do business at airports	28.7	B
8	1949	212.02(14)(a)	<i>Items purchased for subsequent resale. (*2)</i>	49,026.8	(*)
9	1949	212.02(14)(c)	Materials used for packaging.	38.7	B
10	1949	212.02(14)(c)	Components or ingredients of processed or manufactured goods. (*3)	insig.	B
11	1998	212.02(14)(c)	Parts incorporated into repair for resale	insig.	B
12	1998	212.02(16)	Federal excise taxes imposed on retailers	1.4	B
13	1949	212.02(19)	<i>Intangible personal property. (*4)</i>	40,667.3	(*)
14	1998	212.02(20)	Automobiles loaned to driver education and safety programs	insig.	B
15	1998	212.02(28) & (29)	Fish breeding	0.2	B
16	2015	212.02(29)	Aquaculture	insig.	B
17	2015	212.02(32)	Power Farm Equipment - Raw Storage	0.3	B
18	2006	212.02(33)	Small private aircraft fleet of more than 25 planes	0.0	B
		212.03(4),			
19	1949	212.031(1)(a)2.	Rent charges paid by certain long term occupants.	8.1	H
20	1979	212.03(7)(a)	Rent charges paid by certain full-time students.	6.1	H
21	1979	212.03(7)(a)	Rent charges paid by active military personnel.	17.2	H
22	1972	212.03(7)(a)	Rent charges paid by permanent residents.	3,355.2	H
23	1972	212.03(7)(c)	Charges for rent in certain mobile home parks.	6.6	H
24	1979	212.03(7)(d)	Rent charges for living accommodations in migrant labor camps.	3.6	H
25	1969	212.031(1)(a)1.	Charges for renting property assessed as agricultural.	6.7	B
26	1985	212.031(1)(a)4.	Condominium recreational leases.	10.0	H
27	1987	212.031(1)(a)5.	Streets used by a utility for utility purposes.	83.5	B
28	1999	212.031(1)(a)5.	Cell phone towers & co-located equipment	32.7	B
29	1987	212.031(1)(a)6.	Street parking meter charges.	4.5	M
30	1987	212.031(1)(a)6.	Toll road charges.	149.3	M
31	1987	212.031(1)(a)7.	Airport property used for landing, taxiing, or loading.	90.3	B
32	1987	212.031(1)(a)8.	Port property used for moving, loading or fueling of ships.	22.0	B
33	1997	212.031(1)(a)8.	Wharfage guarantees	0.5	B
34	1987	212.031(1)(a)9.	Leases/rentals of certain property used for movie productions	12.2	B
35	1983	212.031(1)(a)10.	Movie theater concession rent.	45.0	B
36	1999	212.031(1)(a)10.	Rents, subleases, or licenses in recr. or sports arenas, civic centers	1.5	B
37	2006	212.031(1)(a)12.	Rents, based on sales, from Souvenirs' leases in civic centers, 7-1-09	0.0	B
38	2000	212.031(1)(a)13.	Commercial Leases/Space Flight	1.4	B
39	1998	212.031(1)(b)	Pro-rated exemption for for-profit homes for the aged	insig.	B
40	17/18/19/24	212.031(1)(c)	Commercial Rent	3,084.9	B
41	1977	212.031(5)	Convention hall subleases.	38.7	B
42	1978	212.031(6)	Leases by agricultural fair associations. (*5)	insig.	B
43	1998	212.031(7)	Certain utility charges if separately billed	57.1	H
44	1998	212.031(8)	Certain lease termination payments	10.3	B
45	1999	212.031(9)	Highschool and college teams' stadium skyboxes	2.4	O
46	2017	212.04(1)(c)	Admissions Resale	7.7	B
47	1949	212.04(2)(a)1.	Admissions to certain school and state events.	2.8	M
48	2006	212.04(1)(b)	Local seat surcharges or service charges	4.1	B
49	1998	212.04(1)(d)	Travel agent mark-up on taxed admissions or transient rentals	insig.	M
50	1978	212.04(2)(a)2.a.	Dues, fees, and admissions charged by non-profit entities.	26.1	O
51	1980	212.04(2)(a)3.	Admissions paid by students for required sports or recreation.	16.8	M
52	1981	212.04(2)(a)4.	Super Bowl football tickets (impact only when held in Florida). (*6)	insig.	H
53	1994	212.04(2)(a)5.	Governmental participation or sponsorship fees	27.6	O
54	2025	212.04(2)(a)5	Admissions to NASCAR Cup Series at Homestead	0.1	O
55	1989	212.04(2)(a)6.	Tickets for certain non-profit theater, opera or ballet events.	5.8	O
56	1998	212.04(2)(a)8.	Particip. fees to athletic events where spectators are charged admission	insig.	O

**EXCLUSIONS, EXEMPTIONS, DEDUCTIONS AND CREDITS FROM THE SALES & USE TAX**
**In Statutory Order**

Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
57	2015	212.04(2)(a)11.	Gun Club Memberships	3.2	H
58	1998	212.04(2)(a)12	State Park Admissions	2.2	H
59	1963	212.04(2)(c), 212.02(20)	Pari-mutuel admissions tax imposed by s. 550.09.	insig.	B
60	1976	212.05(1)(a)2.	Sales of boats or airplanes removed from the state.	105.3	M
61	1971	212.05(1)(c)	Long term vehicle leases if tax paid when purchased by lessor.	3.4	B
62	1998	212.05(1)(g)	Newspaper and magazine inserts	6.8	B
63	1994	212.05(1)(h)1.	2% rate abatement for coin-operated amusement machines	6.3	B
64	1999	212.05(1)(k)	US legal coins and coins in excess of \$500	0.8	B
65	1993	212.05(1)(k)	Law enforcement officers' protection services.	3.4	B
66	1998	212.05(1)(m)	When TPP prizes are awarded, operator can pay tax on 25% of receipts	0.8	B
67	2010	212.05(5)	\$18,000 cap of sales tax on boats	8.7	H
68	2015	212.05(5)	\$60,000 cap of sales tax on Boat Repairs	6.5	H
69	1989	212.0506(3)	Certain service warranties relating to real property fixtures.	8.2	B
70	1989	212.0506(7)	Service warranties on which ins. prem. tax is due (homeowner warr.).	4.5	H
71	1998	212.0506(10)	Certain materials and supplies used in fulfillment of service warranty	85.3	B
72	1998	212.051(1)	Pollution control equipment used in manufacturing	20.0	B
73	1998	212.051(2)	Solid waste management equipment	6.7	B
74	1982/2006	212	Items fabricated for use in research and development activities.	69.6	B
75	1987	212	Partial exemption for air carriers' maintenance bases. (*7)	insig.	B
76	1984	212.06(1)(b)	Partial exemption for production cost of cogenerated energy. (*11)	18.1	B
77	1969	212.06(1)(b)	Fabrication labor used in the production of qualified motion pictures.	0.5	B
78	1982	212.06(1)(b)	Portion of price of factory built building attributable to labor costs.	insig.	B
79	1984	212.06(1)(b)	Electricity consumed or dissipated in the transmission of electricity at 4.35 rate.	15.3	B
80	1999/2016	212.06(1)(c)	Partial exemption for asphalt sold to governments	4.8	B
81	1988	212.06(1)(c)	Use tax on asphalt; special calculations.	insig.	B
82	1998	212.06(1)(d)	Cost price calculation for certain industries	insig.	B
83	1992	212.06(2)(d),5(c), 212.0596(2)(c),(j)	<i>Printing for out-of-state customer, when he provides the paper.</i>	28.4	B
84	2000	212.06(3)(b)	Certain Printed Materials	0.5	B
85	1949	212.06(5)(a)	Tangible personal property imported or produced for export.	6,453.0	(*)
86	1949	212.06(5)(a)	Aircraft being exported outside the U.S.	51.0	B
87	1949	212.06(5)(a), 212.081(5)	Any sale exempted by federal law or the U.S. Constitution.	insig.	M
88	1983	212.06(5)(b)	Non-resident dealers purchasing items for resale overseas.	5.1	B
89	1949	212.06(7)	Credit for tax paid to other states.	74.6	M
90	1969	212.06(8)	Imported items if used in another state for 6 months or more.	360.4	M
91	1949	212.06(9)	Sales of religious items.	31.6	M
92	1992	212.06(11)	Certain magazine promotional materials, if exported.	6.6	B
93	1998	212.06(13)	1% tax rate/month for airplanes purchased for resale but used by dealer	2.4	B
94	1998	212.06(14)	Mobile home improvements	insig.	B
95	1998	212.06(15)	Contractors' use of rock, shell, fill dirt for own use	3.4	B
96	2000	212.06(15)(a)	Fill Dirt	insig.	B
97	1987	212	Partial exemption from use tax for motor vehicle dealers.	1.3	B
98	1998	212.0601(3)	Vehicles loaned by car dealer at no charge: calc. based on IRS table	insig.	B
99	1998	212.0601(4)	Vehicles loaned by car dealer while repairs are made.	0.6	B
100	1997/1999	212	Purchases of cinematography school, including leases	2.7	O
101	1949	212.07(5)	Sales of farm products sold directly by the producer.	2.6	B
102	1998	212.07(5)(b)	<i>Horses sold at claiming races are taxed on first sale; then on mark-up</i>	0.8	B
103	1949	212.07(6)	Agricultural products consumed on the farm.	insig.	B
104	1949	212.07(7)	Purchases of ag. products for further processing for resale.	925.2	(*)
105	1949	212.08(1)(a)	Groceries purchased for human consumption.	6,322.7	H
106	1986	212.08(1)(b)	Food purchased with food stamps [not exempt under s. 212.08(1)(a)].	16.6	H
107	1949	212.08(2)(a)	Prescription drugs.	2,745.7	H
108	1949	212.08(2)(a)	Medical supplies and products such as syringes and prosthetics.	408.2	H
109	1951	212.08(2)(a)	Funerals except for tangible personal property used. (*8)	42.4	H
110	1990	212.08(2)(a)	Contact lens molds cost in excess of \$100,000.	12.2	B

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Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
111	1949	212.08(2)(a)	Non-prescription drugs.	279.6	H
112	1949	212.08(2)(a)	Eyeglasses and other corrective lenses.	88.2	H
113	1998	212.08(2)(d)	Lithotripters	0.6	B
114	1998	212.08(2)(e)	Human organs	insig.	B
115	1998	212.08(2)(f) & (h)	Veterinary medicines	14.9	B
116	1999	212.08(2)(f) & (h)	Non-retail pharmacies	835.4	B
117	2014	212.08(2)(i)	Therapeutic veterinary diets	5.3	H
118	1998	212.08(2)(j)	Special lettering or similar attachments used to aid handicapped persons	6.0	H
119	63/98/05	212.08(3)	Farm equipment.	64.4	B
120	2005	212.08(3)	Agricultural diesel engines and irrigators.	4.6	B
121	2015	212.08(3)(a)	Irrigation Equipment used in Agricultural production	5.4	B
122	2015	212.08(3)(a)	Power Farm Equipment - Parts and Repairs	12.6	B
123	2015	212.08(3)(b)	Trailers purchased and used by a farmer	2.9	B
124	1949	212.08(4)(a)1.	Metered Water, excluding well.	634.8	M
125	1949	212.08(4)(a)1.	Bottled (except carbonated) Water	112.0	H
126	1969	212.08(4)(a)2.	Purchases of fuel by public and private utilities.	285.2	B
127	1963	212.08(4)(a)2.	Fuel for vehicles and vessels in interstate commerce (partial).	4.8	B
128	1987	212.08(4)(a)3.	Wheeling or transmission of electricity at 4.35% rate. (*11)	11.2	B
129	1949	212.08(5)(a)	Purchase of commercial fishing nets.	insig.	B
130	1949/1998	212.08(5)(a)	Purchase of agricultural items (pesticides, seeds, fertilizers, etc.)	114.1	B
131	1978	212.08(5)(a)	Fuels used to heat poultry structures.	0.2	B
132	1998	212.08(5)(a)	Poultry structure generators	0.3	B
133	2015	212.08(5)(a)	Stakes used in Agricultural production	1.1	B
134	2017	212.08(5)(a)	Animal Health Products	3.3	B
135	2022/2023	212.08(5)(a)	Fencing	0.8	B
136	1978	212.08(5)(b)1.	Purchases of machinery and equipment by new businesses.	18.8	B
137	78/89/06/12	212.08(5)(b)	M&E purchased by expanding businesses or for spaceports	13.1	B
138	1980	212.08(5)(c)1.	Certain M&E used to produce energy. (*9)	19.9	B
139	2000	212.08(5)(c)1. & 2.	Boiler Fuels	0.7	B
140	1997	212.08(5)(c)2.	Proration of M&E using nonresidual fuels	insig.	B
141	1983	212.08(5)(d)	Certain M&E purchased pursuant to federal contract.	insig.	B
142	1988	212.08(5)(e)1.	Butane and other gases (except natural) used for agricultural purposes.	1.5	B
143	1993	212.08(5)(e)1.	Natural gas used for agricultural purposes.	1.0	B
144	2018	212.08(5)(e)1 & 2 and (5)(t)	Aquaculture Exemption	0.2	B
145	2012	212.08(5)(e)2.	Electricity used in packing houses for fruits and vegetables at 4.35% rate	1.0	B
146	2012	212.08(5)(e)2.	Electricity used in packing houses for meat of cattle and hog at 4.35% rate	1.2	B
147	2006/07	212.08(5)(e)2.	Diesel fuel/electricity used in farming at 4.35% rate	1.1	B
148	2000	212.08(5)(f)	Motion Picture Video Equipment	16.2	B
149	2000	212.08(5)(f)	Additional Movie Exemptions	25.5	B
150	1984/2015	212.08(5)(g)	Certain building materials used in an enterprise zone.	insig.	B
151	1984/2015	212.08(5)(h)	Certain depreciable business equip. used in an enterprise zone; refund.	0.6	B
152	1988	212.08(5)(i)	Certain aircraft modification services.	46.1	B
153	2000	212.08(5)(j)	Semi-conductor clean rooms	0.2	B
154	1997	212.08(5)(j)	M & E used in semiconductor, defense or space technology	4.4	B
155	1998	212.08(5)(k)	Paint color cards and samples	0.7	B
156	1998	212.08(5)(l)	Cattle growth enhancers	0.5	B
157	1999	212.08(5)(m)	Gold Seal child care facilities' purchases of educational materials	0.5	B
158	2000	212.08(5)(n)	Materials for construction of single-family homes in EZ	0.0	B
159	2000	212.08(5)(o)	Building materials in redevelopment projects	10.4	B
160	01/05/06/15/17	212.08(5)(p)	Community Contribution Credit	10.5	B
161	2017	212.08(5)(r)	New Construction Building Materials in Rural Areas of Opportunity	10.4	B
162	2017	212.08(5)(s)	Data Centers	2.4	B
163	2021	212.08(5)(u)	Items that Assist in Independent Living	4.2	H
164	2023	212.08(5)(v)	Building Materials Used in Construction of Affordable Housing Units	42.7	B
165	2023	212.08(5)(w)	Renewable Natural Gas Machinery and Equipment	1.1	B
166	1949	212.08(6)	Direct purchases by government (*10)	889.2	O

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Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
167	1987	212.08(6)(a)	Services by radio and TV stations.	insig.	B
168	2017	212.08(6)(d)	Governments/ Golf Courses	0.5	O
169	1978	212.08(7)(a)	Sales of artificial commemorative flowers by V.A.	insig.	O
170	1978	212.08(7)(b)	Purchases of boiler fuels for use in industrial manufacturing.	82.6	B
171	1974	212.08(7)(c)	Purchases of crab bait by commercial fishermen.	0.7	B
172	1949	212.08(7)(d)	Feed for poultry and livestock, including racehorses, and ostriches.	36.6	B
173	1949	212.08(7)(e)	Film rentals, when admissions are charged.	12.9	B
174	1970	212.08(7)(e)	License fee charges for films & tapes used by broadcasters.	8.4	B
175	1974	212.08(7)(f)	Sales of U.S. and State flags.	4.6	M
176	1982	212.08(7)(g)	Supplies & equipment by the Fla. Retired Educators' Assn.	insig.	O
177	1971	212.08(7)(h)	Purchases of, and supplies for, guide dogs for the blind.	1.4	H
178	1963	212.08(7)(i)	Charges for hospital meals and rooms.	822.6	H
179	1995	212.08(7)(i)	In-facility meals purchased by residents of homes for the aged	67.5	H
180	1972	212.08(7)(j)	Purchases of power & heating fuels by residential households. (*11)	748.2	H
181	1980	212.08(7)(j)	Utilities purchased for use in a residential model home. (*11)	0.5	B
182	1996	212.08(7)(j)	Purchases of power & heating fuels by licensed day care homes (*11)	0.7	B
183	1978	212.08(7)(k)	Charges for certain meals provided by non-profit orgs.	56.0	O
184	1983	212.08(7)(l)	Purchases by orgs. providing certain benefits to minors.	15.1	O
185	1949	212.08(7)(m)1.	Sales or leases to churches.	24.4	O
186	1983	212.08(7)(m)1.	Items purchased or leased by certain non-profit organizations.	11.8	O
187	1984	212.08(7)(m)2.	Non-profit orgs. providing free transportation to church members.	0.2	O
188	1988	212.08(7)(m)2.	Purchases by religious non-profit TV stations.	0.7	O
189	1995	212.08(7)(m)2.	Purchases by orgs. providing religious services to state prisoners (*13)	0.0	O
190	1995	212.08(7)(m)2.	Purchases by certain orgs. supporting charitable service providers (*13)	0.3	O
191	1998	212.08(7)(m)2.	Religious tapes for the blind	0.3	O
192	1998	212.08(7)(m)2.	Organizations w/o permanent location conducting religious services	1.7	O
193	1978/1999	212.08(7)(n)1.	Items purchased or leased by qualified veterans organizations.	1.5	H
194	2016	212.08(7)(n)1.	Certain Food or Drink sold by Qualified Veterans Organizations	4.1	O
195	1949/2000	212.08(7)(p)1.	Section 501(c)(3) organizations	504.1	O
196	2019	212.08(7)(p)2.	Items purchased for resale donated to Section 501(c)(3) organizations	4.5	O
197	1978	212.08(7)(q)	Purchases of "resource recovery equipment" by local govts.	0.4	O
198	1963	212.08(7)(r)	K-12 schoolbooks and lunches.	78.6	H
199	1998	212.08(7)(r)	School yearbooks, magazines, newspapers, and bulletins	5.6	O
200	2014	212.08(7)(r)	College Meal Plans	40.1	H
201	1987	212.08(7)(s)	Alcoholic beverages used by businesses for tasting.	5.4	B
202	1986	212.08(7)(t)	Boats temporarily docked in Florida.	3.3	B
203	1969	212.08(7)(u)	Purchases of fire-fighting equipment by volunteer fire depts.	0.6	O
204	1949/1988	212.08(7)(v)	Charges for professional, personal and insurance services:	insig.	M
205	1990	212.08(7)(w)	Free advertising publications.	3.1	B
206	1996	212.08(7)(w)	Subscription newspapers, newsletters & magazines delivered by mail	19.2	H
207	1987	212.08(7)(x)	Sporting equipment brought to Florida for certain events.	0.3	B
208	1988	212.08(7)(y)	Charter fishing boats.	21.3	B
209	1988	212.08(7)(z)	Certain candy sold in vending machines by non-profit orgs.	insig.	O
210	1988	212.08(7)(aa)	Commercial trucks sold between commonly owned companies.	0.7	B
211	1992	212.08(7)(bb)	Community cemeteries.	0.2	B
212	1992/1999	212.08(7)(cc)	Works of art provided to an educational institution.	21.0	O
213	1994	212.08(7)(dd)	Lease or license to use taxicab equipment	39.7	B
214	1994/1998	212.08(7)(ee)	Aircraft repair and maintenance labor charges for aircraft > 15,000 lbs	4.7	B
215	1998	212.08(7)(ee)	Aircraft repair and maintenance labor charges for helicopters > 10,000 lbs	0.4	B
216	2012	212.08(7)(ee)	Aircraft repair and maintenance labor charges for aircraft > 2K lbs and < 15K lb	5.5	B
217	1996	212.08(7)(ff)	Electricity used in Manufacturing at 4.35% rate (*11)	51.8	B
218	1996	212.08(7)(gg)	Leases to or by fair associations for real or tangible personal property	2.6	B
219	1997/2005	212.08(7)(hh)	Solar energy systems	3.0	B
220	1997	212.08(7)(ii)	Nonprofit cooperative hospital laundries	0.3	B
221	1997	212.08(7)(jj)	Complimentary meals served by hotels & motels	12.2	B
222	1997	212.08(7)(kk)	PRIDE	3.6	O
223	1998	212.08(7)(ll)	Items sold by PTO's and PTA's, if tax paid at purchase	4.5	O

**EXCLUSIONS, EXEMPTIONS, DEDUCTIONS AND CREDITS FROM THE SALES & USE TAX**
**In Statutory Order**

Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
224	1998	212.08(7)(ll)	Vending machine items in lunchrooms, if tax paid at purchase	0.7	O
225	2015	212.08(7)(ll)	School Concessions, if tax paid at purchase	4.8	O
226	1998	212.08(7)(mm)	Mobile Home Lot Improvements	0.4	B
227	1998	212.08(7)(nn)	Portions of purchase price of boats, cars, planes paid by Veterans' Org.	2.2	O
228	1998	212.08(7)(oo)	Complimentary food items	1.0	B
229	1998	212.08(7)(pp)	Food or beverages donated to non-profit organizations.	0.3	O
230	1998	212.08(7)(qq)	Racing dogs by breeders	15.8	B
231	1998	212.08(7)(rr)	Parts used in aircraft maintenance or repair for aircraft > 15,000 lbs	16.2	B
232	2012	212.08(7)(rr)	Parts used in aircraft maintenance or repair for aircraft >2K lbs and < 15k lbs	10.2	B
233	1998	212.08(7)(ss)	Aircraft leases and sales by common carriers, if in excess of 15,000 lbs	1.7	B
234	1999/2000	212.08(7)(tt)	Non-profit water systems	0.3	O
235	1999	212.08(7)(uu)	Library co-operatives	48.3	O
236	1999	212.08(7)(v v)	Certain advertising services	22.2	B
237	1999	212.08(7)(ww)	Gold, silver, platinum bullion in excess of \$500	11.8	H
238	2025	212.08(7)(ww)	Gold, silver, platinum bullion worth less than \$500	2.3	H
239	1999/2000	212.08(7)(xx)	Shipping and parts and labor for repair of certain machinery	14.6	B
240	1999	212.08(7)(yy)	Film and printing supplies	20.4	B
241	2000	212.08(7)(zz)	People Mover Systems	0.7	B
242	2000	212.08(7)(aaa)	Florida Fire and Emergency Services	insig.	O
243	2000	212.08(7)(bbb)	Railroad Bed Materials	2.0	B
244	2006	212.08(7)(ccc)	Advertising materials distributed free by mail in an envelope	2.0	B
245	2006	212.08(7)(ddd)	Certain Delivery Charges	1.9	B
246	2007	212.08(7)(eee)	Bookstore operations at a postsecondary education institution	2.0	B
247	2010	212.08(7)(fff)	Aircraft temporarily in the state	insig.	H
248	2010	212.08(7)(ggg)	Fractional Aircraft	1.5	B
249	2012	212.08(7)(hhh)	Turbine Engine Manufacturing	0.6	B
250	2012	212.08(7)(iii)	Taxicabs, sale or lease of accessible vehicles	92.9	B
251	2013/2016	212.08(7)(jii)	Certain Machinery and Equipment	105.6	B
252	2016	212.08(7)(jii)	Metal Recyclers Machinery and Equipment Exemption	1.4	B
253	2016	212.08(7)(jii)	Post Harvest Machinery and Equipment	4.5	B
254	2014	212.08(7)(kkk)	Child car Seats	0.4	H
255	2014/2025	212.08(7)(lll)	Bicycle Helmets	2.6	H
256	2015	212.08(7)(mmm)	Importation of Motor Vehicles by Deployed Military or Spouse	18.8	O
257	2017	212.08(7)(nnn)	Feminine Hygiene Products	1.6	H
258	2018	212.08(7)(ooo)	Recycling roll off containers	60.3	B
259	2022	212.08(7)(ppp)	Green Hydrogen	0.3	B
260	2023	212.08(7)(qqq)	Baby and Toddler Products	168.5	H
261	2023	212.08(7)(rrr)	Diapers and Incontinence Products	29.2	H
262	2023	212.08(7)(sss)	Oral Hygiene Products	42.3	H
263	2023	212.08(7)(ttt)	Firearm Safety Devices	4.9	H
264	2023	212.08(7)(uuu)	Small Private Investigative Agencies	1.6	M
265	2025	212.08(7)(vvv)	Batteries	42.3	H
266	2025	212.08(7)(www)	Smoke Detectors	4.8	H
267	2025	212.08(7)(xxx)	Carbon Monoxide Detectors	4.8	H
268	2025	212.08(7)(yyy)	Fire Extinguishers	4.9	H
269	2025	212.08(7)(zzz)	Portable Generators	7.9	H
270	2025	212.08(7)(aaaa)	Tarpaulins	19.2	H
271	2025	212.08(7)(bbbb)	Ground Anchoring Systems	13.8	H
272	2025	212.08(7)(cccc)	Portable Gas Cans	13.8	H
273	2025	212.08(7)(dddd)	Life Jackets	2.1	H
274	2025	212.08(7)(eeee)	Sunscreen	38.2	H
275	2025	212.08(7)(ffff)	Insect Repellant	5.2	H
276	1957	212.08(8)	Vessels, parts & related items used in interstate commerce (partial).	61.9	B
277	1957	212.08(9)	RR equip, MV & pts. used in interstate commerce (*12)	80.6	B
278	1977	212.08(10)	Partial exemption on motor vehicles sold to out-of-state residents.	68.0	M
279	1978	212.08(11)	"Flyable aircraft" sold by a Fla. mfgr. to out-of-state resident (partial).	2.8	B
280	1998	212.08(11)	Aircraft temporarily located in Fla for repairs.	3.2	B

# EXCLUSIONS, EXEMPTIONS, DEDUCTIONS AND CREDITS FROM THE SALES & USE TAX

## In Statutory Order

Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
281	1984	212.08(12)	Master tapes, records, films or video tapes (partial).	17.7	B
282	1984	212.08(15)	Certain electrical energy used in an enterprise zone. (*11)	1.0	B
283	1989	212.08(16)(a)1.	The sale or use of satellites or other space vehicles.	88.0	B
284	1989	212.08(16)(a)2.	The sale or use of tangible personal property placed on satellites.	insig.	B
285	1999	212.08(17)	Overhead items purchased by certain gov't contractors	1.1	B
286	2006	212.08(18)	Machinery and Equipment used for R&D at least 50%	96.7	B
287	2025	212.08(20)	Annual Back to School Holiday	196.8	H
288	1984	212.0821(1)	Items bought by Parent-Teacher Orgs. through school districts.	83.0	O
289	1984	212.0821(2)	Items bought by certain community groups through local govts.	insig.	O
290	1984	212.0821(3)	Items bought by certain library fund raising groups.	insig.	O
291	1949	212.09, 212.02(16)	The value of trade-ins or discounts.	1,241.3	M
292	1984/2015	212.1	Credit for job creation in enterprise zones.	0.0	B
293	1997/2012	212.1	Urban High-crime area job tax credit	0.0	B
294	1997	212.1	Rural job tax credit	0.5	B
295	1949	212.12(1), 212.04(5)	Collection allowance of 2.5% for the first \$1,190 of tax per return.	87.8	B
296	2014	212.0	Private Label Credit Cards - Credits for Bad Debt	12.7	B
297	1991/2006	212.20(6)(d)6.b. & e.	Up to \$2.0m annual subsidy for certain professional sports teams.	16.8	B
298	1998	376.75(1)	Tax on perchloroethylene	0.2	B
299	2010	212.2	Traditional Scholarship Credit	4.2	B
300	2018	212.1	Commercial Rental Credit	0.0	B
301	2018	212.2	Motor Vehicle Credit	72.9	B
302	2021	212.2	New Worlds Reading Credit	25.6	B
303	2021	212.2	Strong Families Credit	1.6	B
<b>GRAND TOTAL</b>				<b>27,149.6</b>	
Note: Some exemptions overlap, so repeal of all items would NOT yield the total shown					

<b>H = Household Items</b>	<b>15,927.1</b>
<b>O = Organizations</b>	<b>1,771.1</b>
<b>B = Business Items</b>	<b>6,731.3</b>
<b>M = Miscellaneous</b>	<b>2,720.1</b>
<b>Grand Total (*).....</b>	<b>27,149.6</b>

n/a - Estimate not available.

**(\*) Items shown in italics are NOT included in the grand total for all exemptions.**

Repeal of items shown in italics would substantially alter the character of the tax. For example, repeal of the resale provision (item #8 and others) would effectively convert the sales tax to a transactional gross receipts tax.

- 1 Estimate reflects only sales by businesses.
- 2 Estimate excludes items exempt under other provisions as well.
- 3 Impact included in estimate for item #8
- 4 The estimate represents only sales of stocks and bonds traded in national markets. A variety of additional items would also be potentially taxed.
- 5 Impact included in estimate for #210 -Leases to or by fair associations for real or tangible personal property .
- 6 The 2005 Super Bowl was held in Jacksonville. This exemption is estimated to cost \$2.4m.  
In 2007, it was held in Miami, in 2009 it was held in Tampa, and in 2010 it was held in Miami.  
The Superbowl is scheduled to be held in Miami in 2020 and in Tampa in 2021.
- 7 No evidence exists that any taxpayers currently avail themselves of this exemption.
- 8 Estimate reflects entire charge for funeral and crematory services. Net revenue from repeal may be reduced by value of caskets, depending on the billing procedures of each business.
- 9 Based on exemption permits issued, this amount could increase significantly if taxpayers receive development authorization.
- 10 Excludes tax on federal purchases. Taxation would require congressional authorization.
- 11 The statutory tax rate for electricity is 4.35%.
- 12 Estimate assumes other supporting statutory changes in addition to exemption repeal.
- 13 Item #182 is included in #183 due to a rewrite of the religious and 501(c)(3) exemptions in 2000.



**EXCLUSIONS, EXEMPTIONS, DEDUCTIONS AND CREDITS FROM THE SALES & USE TAX**

**In Statutory Order**

Line No.	Enactment Date	Florida Statute		FY 2026-27 (in \$ m)	Ex. Type
<b>REPEALED/SUNSETTED EXEMPTIONS:</b>					
1990	212.04(2)(a)4.	World Cup Soccer Games tickets (impact only when held in Florida)			
2000	212.031(10)	Entertainment Facilities; repeal 7-1-09			
1987	212.08(5)(j)	Marine discharge response corporation M&E.			
2000	212.08(5)(p)	Broad Band Technology , sunset on 6-30-05			
1949	212.08(7)(w)	Newspapers (Exemption declared unconstitutional)			
1995	212.08(7)(hh)	Electric motor vehicles (exemption terminates 6/30/2000)			
1996	212.08(7)(hh) & (ii)	State Park Citizen Support Organizations and Florida Folk Festival			
2000	212.08(7)(ccc)	Crime Prevention			
2014	212.08(7)(jjj)	Cement Mixer Drums (Expires 4/30/2017)			
1996	212.20(6)(g)4.c.	\$1m annual subsidy for Intern'l Game Fish Association World Center (Ended 2/2014)			

2022 NAICS Code(s)	Business Type	(1) 6% Annualized Receipts SFY 2026/27  \$m	(2) 6% First Year Cash SFY 2026/27  \$m	(3) 6% Annualized Receipts On Services Taxed in 1987 \$m

#### PERSONAL SERVICES

##### 812 Personal and Laundry Services

8121	Personal Care Services (includes Beauty and Barber Shops)	\$231.73	\$173.16	\$0.00
8123	Drycleaning and Laundry Services	\$89.90	\$67.18	\$76.72
8129	Other Personal Services (Pet Care, Photo Finishing, Valet Parking, Parking Lots and Garages)	\$30.85	\$23.05	\$30.85
Subtotal: All Personal Services.....		\$352.48	\$263.39	\$107.57

#### PROFESSIONAL SERVICES

##### 531 Real Estate

5312	Offices of Real Estate Agents and Brokers	\$627.26	\$468.73	\$318.67
5313	Activities Related to Real Estate (Property Managers and Appraisers)	\$506.75	\$378.68	\$257.44
533	Lessors of Non-Financial Intangible Assets (except Copyrighted Work) Buying, Licensing, Leasing of Industrial Designs, Franchises, Brand Names, Patents, Trademarks	\$215.43	\$160.98	\$215.43

##### 541 Professional, Scientific, and Technical Services

5411	Legal Services (includes Title Search and Abstract Services)	\$1,488.79	\$1,112.53	\$1,329.49
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	\$877.49	\$655.72	\$877.49
5413	Architectural, Engineering, and Related Services	\$845.64	\$631.92	\$364.84
5414	Specialized Design Services (Interior, industrial, Graphic, Fashion, and other Design Services)	\$188.14	\$140.59	\$0.00
5415	Computer Systems Design and Related Services	\$1,129.11	\$843.75	\$1,072.71
5416	Management, Scientific, and Technical Consulting Services	\$1,545.29	\$1,154.74	\$1,545.34
5417	Scientific Research and Development Services	\$84.55	\$63.18	\$0.00
5418	Advertising and Related Services	\$374.89	\$280.15	\$324.41
5419	Other Professional, Scientific, and Technical Services (Marketing Research, Photographic, Veterinary, Translation Services)	\$650.06	\$485.76	\$0.00

##### 551 Management of Companies and Enterprises

551111	Offices of Bank Holding Companies	\$19.62	\$14.66	\$19.62
551112	Offices of Other Holding Companies	\$178.31	\$133.24	\$178.31
551114	Corporate, Subsidiary, and Regional Managing Offices	\$396.00	\$295.92	\$396.00

##### 561 Administrative and Support Services

5611	Office Administrative Services	\$134.52	\$100.52	\$134.52
5612	Facilities Support Services	\$39.55	\$29.55	\$39.55
5613	Employment Services	\$1,092.18	\$816.15	\$163.83

2022 NAICS Code(s)	Business Type	(1) 6% Annualized Receipts SFY 2026/27 \$m	(2) 6% First Year Cash SFY 2026/27 \$m	(3) 6% Annualized Receipts On Services Taxed in 1987 \$m
5614	Business Support Services (includes Credit and Collection Agencies, Secretarial and Court Reporting Services)	\$287.58	\$214.90	\$0.00
5615	Travel Arrangement and Reservation Services (Travel Agencies and Tour Operators)	\$75.89	\$56.71	\$0.00
5616	Investigation and Security Services	\$0.00	\$0.00	\$0.00
5617	Services to Buildings and Dwellings (includes Cleaning and Pest Control)	\$273.65	\$204.49	\$273.66
5619	Other Support Services (Packaging and Labeling Services, Convention and Trade Show Organizers)	\$105.67	\$78.96	\$52.84
<b>813 Professional Organizations</b>				
8132	Grantmaking and Giving Services	\$21.08	\$15.75	\$0.00
8133	Social Advocacy Organizations	\$39.59	\$29.59	\$0.00
8134	Civic and Social Organizations	\$23.31	\$17.42	\$0.00
8139	Business, Professional, Labor, Political, and Similar Organizations	\$255.38	\$190.84	\$0.00
<b>Subtotal: All Professional Services.....</b>		<b>\$11,475.73</b>	<b>\$8,575.43</b>	<b>\$7,564.15</b>
<b>BUSINESS SERVICES</b>				
<b>115 Support Activities for Agriculture and Forestry</b>				
1151	Support Activities for Crop Production	\$71.23	\$53.23	\$22.85
1152	Support Activities for Animal Production	\$132.96	\$99.35	\$42.65
1153	Support Activities for Forestry	\$48.10	\$35.94	\$0.00
<b>213 Support Activities for Mining</b>				
213111	Drilling Oil and Gas Wells	\$2.57	\$1.92	\$0.00
213112	Support Activities for Oil and Gas Operations	\$0.67	\$0.50	\$0.00
213113	Support Activities for Coal Mining	\$0.00	\$0.00	\$0.00
<b>323 Printing and Related Support Activities</b>				
323120	Prepress Services	\$3.51	\$2.62	\$3.51
<b>492 Couriers and Messengers</b>				
4921	Couriers	\$549.32	\$410.49	\$393.08
4922	Local Messengers and Local Delivery	\$119.02	\$88.94	\$85.16
<b>Subtotal: All Business Services.....</b>		<b>\$927.38</b>	<b>\$693.00</b>	<b>\$547.26</b>

2022 NAICS Code(s)	Business Type	(1) 6% Annualized Receipts SFY 2026/27  \$m	(2) 6% First Year Cash SFY 2026/27  \$m	(3) 6% Annualized Receipts On Services Taxed in 1987 \$m

## FINANCIAL SERVICES

### 522 Credit Intermediation and Related Activities

5221	Depository Credit Intermediation (Banks, S&Ls, Credit Unions, et.al)	\$2,616.87	\$1,955.50	\$0.00
5222	Nondepository Credit Intermediation (Credit Cards, Sales Financing, Consumer Lending, Real Estate Credit)	\$856.79	\$640.25	\$0.00
5223	Activities Related to Credit Intermediation (Loan Brokers, EFT Networks, Clearinghouse Assoc., Credit Card Svcs)	\$480.37	\$358.96	\$168.13

### 523 Securities, Commodity Contracts, and Other Financial Investments

5231	Securities and Commodity Contracts Intermediation and Brokerage	\$498.51	\$372.52	\$104.70
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### 524 Insurance Carriers and Related Activities

5241	Insurance Carriers	\$4,046.01	\$3,023.45	\$0.00
5242	Agencies, Brokerages, and Other Insurance Related Activities	\$1,477.81	\$1,104.32	\$0.00

### 525 Funds, Trusts, and other Financial Vehicles

5259	Other Investment Pools and Funds (REITs)	\$41.28	\$30.84	\$41.28
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Subtotal: All Financial Services.....	\$10,017.63	\$7,485.84	\$314.10
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## MEDIA SERVICES

### 511 Publishing Industries

5132	Software Publishers	\$1,272.22	\$950.69	\$1,208.67
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### 512 Motion Picture and Sound Recording Industries

5121	Motion Picture and Video Industries	\$193.87	\$144.87	\$0.00
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### 334/516 Broadcasting and Telecommunications

3342	Radio and Television Broadcasting	\$303.64	\$226.90	\$303.64
5162	Cable Networks and Program Distribution	\$49.20	\$36.77	\$0.00

### 518/519 ISPs, Web Search Portals, and Data Processing Services

5192	Wired and Wireless Telecommunications Carriers	\$1,016.45	\$759.56	\$965.67
5182	Data Processing, Hosting, and related Services	\$403.83	\$301.77	\$383.65

Subtotal: All Media Services.....	\$3,239.20	\$2,420.55	\$2,861.63
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2022 NAICS Code(s)	Business Type	(1) 6% Annualized Receipts SFY 2026/27  \$m	(2) 6% First Year Cash SFY 2026/27  \$m	(3) 6% Annualized Receipts On Services Taxed in 1987 \$m

## ENTERTAINMENT & SPORTS SERVICES

### 711 Performing Arts, Spectator Sports, and Related Industries

7111	Performing Arts Companies	\$3.33	\$2.49	\$2.80
7112	Spectator Sports (Sports Teams and Clubs, Racetracks, etc.)	\$34.38	\$25.69	\$0.00
7113	Promoters of Performing Arts, Sports, and Similar Events	\$172.37	\$128.80	\$0.00
7114	Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	\$22.28	\$16.65	\$18.73
7115	Independent Artists, Writers, and Performers	\$59.35	\$44.35	\$0.00

### 713 Amusement, Gambling, and Recreation Industries

7139	Other Amusement and Recreation Industries (includes Physical Fitness Facilities, Dance Studios, Golf Courses, etc)	\$44.81	\$33.48	\$0.00
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<b>Subtotal: All Entertainment and Sports Services.....</b>	<b>\$336.51</b>	<b>\$251.46</b>	<b>\$21.53</b>
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## CONSTRUCTION SERVICES

### 236 Building, Developing, and General Contracting

2361	Residential Building Construction	\$877.51	\$655.73	\$877.51
2362	Nonresidential Building Construction	\$484.75	\$362.24	\$484.75

### 237 Heavy Construction

2371	Utility System Construction	\$760.56	\$568.34	\$0.00
2372	Land Subdivision and Land Development	\$73.16	\$54.67	\$0.00
2373	Highway, Street, and Bridge Construction	\$256.36	\$191.57	\$256.36
2379	Other Heavy Construction	\$77.68	\$58.05	\$77.68

### 238 Special Trade Contractors

2381	Building Foundation and Exterior Contractors	\$400.95	\$299.62	\$400.95
2382	Building Equipment Contractors	\$897.36	\$670.57	\$897.36
2383	Building Finishing Contractors	\$352.04	\$263.06	\$352.04
2389	Other Specialty Trade Contractors	\$413.72	\$309.16	\$413.72

<b>Subtotal: All Construction Services.....</b>	<b>\$4,594.09</b>	<b>\$3,433.01</b>	<b>\$3,760.37</b>
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## INSTITUTIONAL SERVICES

### 562 Waste Management and Remediation Services

5621	Waste Collection	\$348.76	\$260.61	\$115.10
5622	Waste Treatment and Disposal	\$42.07	\$31.43	\$13.88
5629	Remediation and Other Waste Management Services	\$126.16	\$94.28	\$41.64

		(1)	(2)	(3)
		6%	6%	6%
		Annualized	First Year	Annualized
		Receipts	Cash	Receipts
2022	Business Type	SFY 2026/27	SFY 2026/27	On Services
NAICS				Taxed in 1987
Code(s)		\$m	\$m	\$m
611 Educational Services				
6114	Business Schools and Computer and Management Training	\$75.82	\$56.65	\$25.02
6115	Technical and Trade Schools	\$116.27	\$86.89	\$38.37
6116	Other Schools and Instruction	\$131.38	\$98.17	\$43.36
6117	Educational Support Services	\$23.67	\$17.69	\$7.81
624 Social Assistance				
6241	Individual and Family Services	\$58.68	\$43.85	\$0.00
6242	Community Food and Housing, and Emergency and Other Relief Services	\$1.25	\$0.93	\$0.00
6243	Vocational Rehabilitation Services	\$8.73	\$6.53	\$0.00
6244	Child Care Services	\$130.80	\$97.75	\$0.00
Subtotal: All Institutional Services.....		\$1,063.58	\$794.78	\$285.18
TRANSPORTATION SERVICES				
481 Air Transportation				
481111	Scheduled Passenger AirTransportation	\$1,468.87	\$1,097.64	\$1,192.93
481112	Scheduled Freight Air Transportation	\$40.82	\$30.50	\$33.15
481211	Nonscheduled Chartered Passenger Air Transportation	\$349.38	\$261.08	\$283.74
481212	Nonscheduled Chartered Freight Air Transportation	\$70.93	\$53.00	\$57.61
481219	Other Nonscheduled Air Transportation	\$33.56	\$25.08	\$27.26
482 Rail Transportation				
482111	Line-Haul Railroads (Long Distance Cargo and Passenger)	\$52.00	\$38.86	\$0.00
482112	Short Line Railroads (Short Distance Cargo)	\$13.00	\$9.71	\$0.00
483 Water Transportation				
4831	Deep Sea, Coastal, and Great Lakes Water Transportation	\$80.13	\$59.87	\$4.23
4832	Inland Water Transportation	\$3.66	\$2.73	\$0.19
484 Truck Transportation				
4841	General Freight Trucking	\$558.24	\$417.15	\$0.00
4842	Specialized Freight Trucking	\$247.82	\$185.19	\$0.00
485 Transit and Ground Passenger Transportation				
4851	Urban Transit Systems	\$10.87	\$8.13	\$0.54
4852	Interurban and Rural Bus Transportation	\$4.39	\$3.28	\$0.00
4853	Taxi and Limousine Service	\$20.28	\$15.15	\$0.00
4854	School and Employee Bus Transportation	\$9.98	\$7.46	\$0.50

2022 NAICS Code(s)	Business Type	(1) 6% Annualized Receipts SFY 2026/27 \$m	(2) 6% First Year Cash SFY 2026/27 \$m	(3) 6% Annualized Receipts On Services Taxed in 1987 \$m
4855	Charter Bus Industry	\$18.47	\$13.81	\$18.47
4859	Other Transit and Ground Passenger Transportation	\$36.82	\$27.51	\$1.84

#### 486 Pipeline Transportation

4862	Pipeline Transportation of Natural Gas	\$7.50	\$5.60	\$0.00
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#### 487 Scenic and Sightseeing Transportation

4871	Scenic and Sightseeing Transportation, Land	\$2.72	\$2.03	\$2.72
4872	Scenic and Sightseeing Transportation, Water	\$15.52	\$11.60	\$0.82
4879	Scenic and Sightseeing Transportation, Other	\$1.55	\$1.16	\$0.00

#### 488 Support Activities for Transportation

4881	Support Activities for Air Transportation (Air Traffic Control and Airport Terminal Services)	\$260.60	\$194.74	\$211.64
4882	Support Activities for Rail Transportation (Loading Services, Terminal Services, Rail Car Rentals)	\$4.97	\$3.71	\$4.97
4883	Support Activities for Water Transportation (Port and Harbor Operations, Cargo Handoling, Navigational Services)	\$83.50	\$62.40	\$4.41
4884	Support Activities for Road Transportation (Auto Towing, Terminal and Service Facilities)	\$31.19	\$23.31	\$29.38
4885	Freight Transportation Arrangement	\$434.05	\$324.35	\$0.00
4889	Other Support Activities for Transportation	\$9.10	\$6.80	\$0.00

<b>Subtotal: All Transportation Services.....</b>	<b>\$3,869.92</b>	<b>\$2,891.86</b>	<b>\$1,874.41</b>
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### HEALTH SERVICES

#### 621 Ambulatory Health Care Services

6211	Offices of Physicians	\$3,102.74	\$2,318.57	\$0.00
6212	Offices of Dentists	\$591.39	\$441.93	\$0.00
6213	Offices of Other Health Practitioners	\$530.16	\$396.17	\$0.00
6214	Outpatient Care Centers	\$361.58	\$270.19	\$0.00
6215	Medical and Diagnostic Laboratories	\$337.20	\$251.98	\$0.00
6216	Home Health Care Services	\$287.72	\$215.00	\$0.00
6219	Other Ambulatory Health Care Services	\$151.83	\$113.46	\$0.00

#### 622 Hospitals - except Government

6221	General Medical and Surgical Hospitals	\$265.80	\$198.62	\$0.00
6222	Psychiatric and Substance Abuse Hospitals	\$0.32	\$0.24	\$0.00
6223	Specialty (except Psychiatric and Substance Abuse) Hospitals	\$29.18	\$21.80	\$0.00

		(1)	(2)	(3)
		6% Annualized Receipts SFY 2026/27	6% First Year Cash SFY 2026/27	6% Annualized Receipts On Services Taxed in 1987
2022 NAICS Code(s)	Business Type	\$m	\$m	\$m
622 Hospitals - Government				
6221	General Medical and Surgical Hospitals	\$718.57	\$773.21	\$0.00
6222	Psychiatric and Substance Abuse Hospitals	\$8.73	\$9.10	\$0.00
6223	Specialty (except Psychiatric and Substance Abuse) Hospitals	\$18.16	\$20.24	\$0.00
623 Nursing and Residential Care Facilities				
6231	Nursing Care Facilities	\$325.65	\$243.35	\$0.00
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	\$82.40	\$61.58	\$0.00
6233	Community Care Facilities for the Elderly	\$193.05	\$144.26	\$0.00
6239	Other Residential Care Facilities	\$22.58	\$16.87	\$0.00
Subtotal: All Health Services.....		\$7,027.04	\$5,496.58	\$0.00
TOTAL STATE 6% SALES & USE TAX ON SERVICE TRANSACTIONS		\$42,903.56	\$32,305.90	\$17,336.20
General Revenue Fund Share (Assumes same % as current law)		\$38,227.07	\$28,784.56	\$15,446.55
Local Govt. Half-Cent and Revenue Sharing From Tax on Services		\$4,556.36	\$3,430.89	\$1,841.10

Notes: The estimates presume an exemption for Florida sales of services consumed out of state, and a use tax on services consumed in Florida. Also, the construction service estimates presume no internal pyramiding.



# Total Impact of Sales Tax Exemptions and Exclusions (\$ Billions)

*(in \$ b)*

<b>H = Household Items</b>	<b>15.927</b>
<b>O = Organizations</b>	<b>1.771</b>
<b>B = Business Items</b>	<b>6.731</b>
<b>M = Miscellaneous</b>	<b>2.720</b>
<b>Exemption Total.....</b>	<b>27.149</b>

<b>TOTAL POTENTIAL SALES TAX ON SERVICE TRANSACTIONS</b>	<b>42.904</b>
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<b>COMBINED TOTAL IMPACT OF TAXING EXEMPTIONS AND SERVICES</b>	<b>70.053</b>
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## SERVICE CHARGES

FLORIDA STATUTES: Sections 215.20, 215.211, 215.22, 215.23, and 215.24

ADMINISTERED BY: Department of Financial Services

### SUMMARY:

All income of a revenue nature deposited in all trust funds is subject to an 8 percent service charge to be deposited into the General Revenue Fund except for funds and revenues enumerated in ss. 215.22 and 215.211, F.S., and except for certain revenues subject to a 4 percent service charge in the Department of Agriculture and Consumer Services and the Department of Citrus pursuant to s. 215.20(2), F.S. The Governor is also authorized under s. 215.24, F.S., to exempt certain revenues from the service charge under certain conditions.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	578,400,000	1.26%
2025-26*	571,200,000	50.14%
2024-25	380,443,822	4.19%
2023-24	365,144,373	-34.76%
2022-23	559,688,479	-11.67%
2021-22	633,649,898	17.93%
2020-21	537,311,939	11.07%

\* Estimate

### HISTORY:

General Revenue Service Charges are transfers from trust funds to the General Revenue Fund. In the past, rates ranged from 0.3 percent to 7.3 percent. Current rates are either 4 percent (specific trust funds and revenues in the Department of Agriculture and Consumer Services and the Department of Citrus) or 8 percent (trust funds in all other departments and agencies).

The policy of assessing certain specified trust funds a service charge was established in 1941, and rates were set at 3 percent. Rate changes occurred in 1961, 1979, 1983, and 1990. A large number of trust funds were added in 1983.

In 1990, all trust funds not specifically exempt under s. 215.22, F.S., were made subject to the 7 percent General Revenue Service Charge. An additional 0.3 percent General Revenue Service Charge was imposed on trust funds specifically enumerated in s. 215.20(4), F.S.

In order to fund Mobility 2000, service charges imposed on collections of motor fuel and diesel fuel taxes, local option fuel taxes, auto title fees, and the \$100 “new-wheels-on-the-road” fee were eliminated pursuant to Chapter 2000-257, L.O.F. (SB 862). Effective July 1, 2000, the 7.3 percent General Revenue Service Charge was eliminated on the Fuel Tax Collection Trust Fund for motor fuel and diesel fuel tax collections and on the \$24 original certificate of title fee and each duplicate copy fee. Effective July 1, 2001, the 7.3 percent General Revenue Service Charge was eliminated on State Comprehensive Enhanced Transportation System (SCETS) tax collections and on the \$100 “new-wheels-on-the-road” fee. The service charge on local option fuel tax collections was phased out over a two-year period. Effective July 1, 2005, the General Revenue Service Charge rate on the Fuel Tax Collection Trust Fund was reduced from 7.3 percent to 3.5 percent and effective July 1, 2006, and thereafter, the 3.5 percent General Revenue Service Charge was eliminated.

## SERVICE CHARGES

Chapter 2008-114, L.O.F. (SB 1882), redirected the 7.3 percent General Revenue Service Charge assessed on the second local option fuel tax imposed under s. 336.0251(1)(b), F.S., from the University Concurrency Trust Fund to the General Revenue Fund.

Chapter 2009-78, L.O.F. (SB 1806), abolished the 0.3 percent service charge on certain funds and imposed a service charge of 8 percent on all trust funds except those specified in the Departments of Citrus and Agriculture and Consumer Services, which were made subject to a service charge of 4 percent.

Chapter 2011-174, L.O.F. (SB 1087), changed the assessment calculation for the Special Disabilities Trust Fund from a fiscal-year basis to a calendar-year basis, which shifted the collection of \$34.8 million of trust fund revenues into FY 2011-12 from FY 2012-13. The shift resulted in an increase to service charge revenues of \$2.8 million in FY 2011-12 and a decrease of \$3.0 million in FY 2012-13.

Chapter 2013-44, L.O.F. (SB 1512), exempted from the General Revenue Service Charge all moneys from service charges, fees, costs, and fines deposited into the Clerks of the Court Trust Fund within the Department of Revenue. The exemption was estimated to reduce General Revenue Service Charge revenues by \$32.8 million in FY 2013-14.

Chapter 2015-229, L.O.F. (SB 2516-A), implemented the Water and Land Conservation Constitutional Amendment, which was approved by Florida voters in 2014. The bill changed the distribution formula for documentary stamp tax revenues under s. 201.15, F.S. The revised formula resulted in an estimated reduction of \$59.3 million in General Revenue Service Charge revenues in FY 2015-16.

Chapter 2023-017, L.O.F. (SB 102), redirected the service charge on documentary stamp taxes for ten years—from FY 2023-24 through FY 2032-33—to provide up to \$150 million annually for affordable housing initiatives.

Chapter 2025-200, L.O.F. (HB 7031), reinstated the service charge on documentary stamp taxes beginning FY 2025-26 and eliminated the \$150 million additional annual distribution for affordable housing initiatives.

### BASE AND RATE:

All trust funds that are not exempt from the service charge are assessed an 8 percent service charge except specified trust funds in the Department of Agriculture and Consumer Services and the Department of Citrus, which are assessed 4 percent. The service charge is normally transferred during the quarter following the quarter in which revenue is collected.

### DISPOSITION:

Service charges are deposited into the General Revenue Fund by transfer from specified trust fund accounts.

### OTHER STATES:

There is no data available for interstate comparison on such service charges. The practice developed from the extensive earmarking of revenues for particular agencies or programs. It may be viewed as an internal accounting device by which to apportion some of the costs of general government to specific functional activities that are supported entirely by earmarked funds.

## SEVERANCE TAXES - OIL AND GAS

FLORIDA STATUTES: Chapter 211, Part I

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Oil and gas production in Florida is subject to the severance tax. Ordinary oil production is taxed at 8 percent of the gross value at the point of production. A small well (less than 100 barrels per day) of oil is taxed at 5 percent of gross value. Tertiary oil and mature field recovery oil are taxed at a graduated rate depending upon the price per barrel. If the price is \$60 per barrel or lower, the tax is 1 percent of gross value at the point of production. If the price is between \$60 and \$80 per barrel, the first \$60 is taxed at 1 percent of gross value, and the remaining price is taxed at 7 percent of gross value. If the price is \$80 per barrel or higher, the first \$60 is taxed at 1 percent of gross value, the price between \$60 and \$80 per barrel is taxed at 7 percent of gross value, and the remaining price is taxed at 9 percent of gross value. Gas and sulfur are taxed at rates that are recalculated annually, using a base rate and adjustment factor based on the previous calendar year's producer price indices.

### REVENUE:

Fiscal Year	Collections	Annual Change %	General Revenue Distribution	Distribution to Counties	Minerals Trust Fund
2026-27*	1,100,000	10.00%	650,000	250,000	200,000
2025-26*	1,000,000	-15.17%	580,000	220,000	200,000
2024-25	1,178,884	-44.54%	809,404	305,862	63,619
2023-24	2,125,659	-32.72%	1,324,487	435,937	365,235
2022-23	3,159,281	16.94%	2,014,410	620,785	524,086
2021-22	2,701,644	122.71%	1,743,074	516,613	441,957
2020-21	1,213,063	-31.48%	628,106	201,320	383,637

\* Estimate

Note: Collections and General Revenue Distribution provided above have been reduced by tax scholarship program credits.

### HISTORY:

Currently, the severance tax on oil and gas is composed of four separate taxes with different bases and rates. Small well oil is taxed at the rate of 5 percent of gross value. Tertiary oil and mature field recovery oil are taxed at a graduated rate. All other oil is taxed at the rate of 8 percent of gross value. Gas is taxed by volume using a base rate adjusted each year for the gas fuels producer price index; this process is described in s. 211.025, F.S. Sulfur is taxed by long ton (2,240 pounds) using a base rate adjusted each year for the sulfur producer price index; this process is described in s. 211.026, F.S. Definitions for each tax are provided in s. 211.01, F.S.

Severance taxation of oil and gas began in 1945 at a 5 percent rate. The rate on oil was increased to 8 percent in 1977. In 1979, the disposition of funds was changed to reflect the creation of the Division of State Lands, with 50 percent of the tax going to the Conservation and Recreation Land (CARL) Trust Fund, 37.5 percent of the oil tax and 30 percent of the gas tax going to the General Revenue Fund, and 12.5 percent of the oil tax and 20 percent of the gas tax going to the producing county.

In 1986, Part I of Chapter 211, F.S., was substantially rewritten to make the basis for the tax on severing gas and oil an indexed rate per unit of production instead of a percentage of value. At that time, sulfur produced from hydrogen sulfide gas was made taxable.

## SEVERANCE TAXES - OIL AND GAS

In 1987, the disposition of the oil, gas, and sulfur tax was changed. The 50 percent disposition to the CARL Trust Fund was eliminated and placed into the General Revenue Fund, resulting in 87.5 percent of the 8 percent oil tax and 80 percent of the 5 percent oil, gas, and sulfur tax going to the General Revenue Fund. The disposition of the oil and gas tax was changed again by the 1994 Legislature. Effective July 1, 1995, 75 percent of the 8 percent oil tax and 67.5 percent of the 5 percent oil, gas, and sulfur tax were distributed to the General Revenue Fund, and 12.5 percent of all sources to the Minerals Trust Fund. The remaining 12.5 percent of the 8 percent oil and 20 percent of the 5 percent small well oil and tertiary oil, gas, and sulfur is returned to the board of county commissioners of the county where production occurred.

Chapter 96-323, L.O.F. (SB 330), provided for a five-year tax exemption for new oil wells completed after July 1, 1997; this exemption has expired.

Chapter 2009-139, L. O. F. (HB 515), changed the tax rate on tertiary oil from 5 percent of gross value to a graduated rate based on the per-barrel price. If the price is \$60 per barrel or lower, the tax is 1 percent of gross value at the point of production. If the price is between \$60 and \$80 per barrel, the first \$60 is taxed at 1 percent of gross value, and the remaining price is taxed at 7 percent of gross value. If the price is \$80 per barrel or higher, the first \$60 is taxed at 1 percent of gross value, the price between \$60 and \$80 per barrel is taxed at 7 percent of gross value, and the remaining price is taxed at 9 percent of gross value (codified at s. 211.02, F.S.).

Chapter 2010-24, L.O.F. (SB 2126), expanded the revenue sources against which the Florida Tax Credit Scholarship credits may be granted to taxes authorized under s. 211.0251, F.S., relating to taxes on the production of oil and gas.

Chapter 2012-32, L. O. F. (HB 7087), defined mature field recovery oil and taxed the oil from a mature field at the same tax rate as tertiary oil. The distribution of the proceeds was also changed. For small well oil, tertiary oil, and mature field recovery oil: 63.5 percent is distributed to the General Revenue Fund; 20 percent to the county where it was produced; and 16.5 percent to the Minerals Trust Fund.

Chapter 2021-31, L.O.F. (HB 7061), created the New Worlds Reading Initiative. The program provides tax credits to businesses that make monetary donations to the administrator may receive a dollar-for-dollar credit. The tax credit can be taken against severance taxes on oil and gas production. Only amounts distributed to the General Revenue fund are reduced.

Chapter 2021-193, L.O.F. (HB 3), created the Strong Families Tax Credit Program. The program provides tax credits for businesses that make monetary donations to certain eligible charitable organizations that provide services focused on child welfare and well-being. The tax credit can be taken against severance taxes on oil and gas production. Only amounts distributed to the General Revenue fund are reduced.

Chapter 2024-158, L.O.F. (HB 7073), created the Child Care Tax Credit Program. The program provides tax credits for businesses via three possible pathways: Build a Child Care Facility, Operate a Child Care Facility, or Contract with a Child Care Facility. All three set up different individual caps based on the number of employees. The tax credit can be taken against severance taxes on oil and gas production. Only amounts distributed to the General Revenue fund are reduced.

### BASE AND RATE:

Oil: Small wells are taxed at 5 percent of gross value at the point of production, while all other wells are taxed at 8 percent of the gross value. Oil produced by tertiary methods is taxed at a graduated rate based on the per-barrel price.

Gas: The tax is determined by the volume, in 1,000 cubic feet (MCF), of gas produced and sold or used. The tax rate incorporates a ratio of the annual average of the gas fuels Producer Price Index from the prior calendar

## SEVERANCE TAXES - OIL AND GAS

year, as of May, and 1109.0. The ratio is then applied to the base rate of \$0.171 per MCF. The tax rate effective July 1, 2025, was \$0.171 per MCF. (DOR TIP #25B07-02)

**Sulfur:** The tax is determined by the long tons of sulfur produced or recovered from the hydrogen sulfide gas contained in oil or gas production. The tax rate incorporates a ratio of the annual average of the sulfur Producer Price Index from the prior calendar year, as of May, and 100.0. The ratio is then applied to the base rate of \$2.43 per long ton. The tax rate effective July 1, 2025, was \$6.38 per long ton. (DOR TIP #25B07-02)

### DISPOSITION:

Distributions of:	To General Revenue	To County*	To Minerals Trust Fund
8% Oil	75.0%	12.5%	12.5%
5% Oil (small wells), tertiary, mature fields	63.5%	20.0%	16.5%
Gas	67.5%	20.0%	12.5%
Sulfur	67.5%	20.0%	12.5%

\* County where production took place.

### OTHER STATES:<sup>1</sup>

Various types of severance taxes are levied in other states. Thirty-two other states specifically tax the production of oil and gas. Some states include petroleum production taxes in mineral severance regulations.

2026-27  
(Millions)

### VALUE OF RATE CHANGE:

Value of 1 percent increase in tax rate:

Oil currently taxed at 8 percent of gross value	\$0.1
Oil currently taxed at 5 percent of gross value	\$0.1
Mature Fields and Tertiary oil taxed at graduated rate (increase each rate by 1 percent)	\$0.5

### VALUE OF CREDITS:

Scholarship Funding Organizations (\$1,092.0m cap)	\$0.4
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes and Severance Taxes - Oil and Gas. (s. 211.0251 F.S.)	
New Worlds Reading Initiative Tax Credit (\$60m cap)	\$0.0
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas (s. 211.0252)	
Strong Families Credit (\$40m cap)	\$0.0
This credit may be taken against the Beverage Tax, Corporate Income Tax, Insurance Premium Tax, certain Sales and Use Taxes, or Severance Taxes - Oil and Gas (s. 211.0253)	
Child Care Tax Credit (\$5m cap) (s. 211.0254)	\$0.0

<sup>1</sup> The Book of the States | 2021 | Volume 53 by The Council of State Governments (Table 7.29), [https://issuu.com/csg.publications/docs/bos\\_2021\\_issuu](https://issuu.com/csg.publications/docs/bos_2021_issuu)

## SEVERANCE TAXES - SOLID MINERALS

FLORIDA STATUTES: Chapter 211, Part II

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Phosphate, heavy minerals, and other solid minerals are subject to the severance tax. The tax rate on the severance of phosphate rock is \$1.61 per ton. According to s. 211.3106 (3)(a), F. S., the tax rate for heavy minerals should be calculated annually by multiplying the base rate (\$1.34 per ton) and the change in the 5-year moving average of the annual producer price index (PPI) for titanium dioxide relative to the base period. However, this PPI is no longer available and there is no comparable index, the adjustment is held constant to the 2019 adjustment, resulting in a stable tax of \$3.80 per ton. Other solid minerals are taxed at 8 percent of the value at the point of severance.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	General Revenue Distribution	Distribution to Counties
2026-27*	16,730,000	-1.12%	5,950,000	3,670,000
2025-26*	16,920,000	1.20%	6,020,000	3,720,000
2024-25	16,719,873	-15.99%	6,578,904	4,081,902
2023-24	19,901,278	-21.78%	6,759,060	4,201,009
2022-23**	25,442,935	13.92%	7,234,820	4,529,260
2021-22**	22,333,841	-21.04%	8,120,686	5,148,636
2020-21	28,283,276	4.33%	9,258,176	5,894,141

\* Estimate

\*\* A payment of \$4.2m that was due June 30<sup>th</sup>, 2022 was recorded in July 2022. The timing of the payment makes FY 2021-22 artificially low and FY 2022-23 artificially high.

### HISTORY:

Currently, severance tax on solid minerals is composed of three separate taxes. Severance of phosphate rock is taxed at \$1.61 per ton severed. As of 2019, severance of heavy minerals is taxed at a constant rate. Severance of other solid minerals are taxed at the rate of 8 percent of value at the point of severance.

Severance taxation of solid minerals was first enacted into law in 1971. Transition rates were provided during the first four years; 1971 through 1975. Tax rates were changed in 1977, 1981, 1987, and 1988. The 1988 tax rate became the new base and is adjusted annually by changes in the phosphate rock index. Disposition of revenues were changed in 1979, 1980, 1987, 1989, 1991, and 1994. The disposition of the solid minerals severance tax was changed by the 2000 Legislature. Effective July 1, 2000, 55.15 percent of the phosphate tax and 32 percent of the other solid minerals tax was distributed to the General Revenue Fund and 14.35 percent of the phosphate tax and 68 percent of the other solid minerals tax to the Minerals Trust Fund.

In 2003, during Special Session E, Chapter 2003-423, L.O.F. (SB 18-E), amended Part II of Chapter 211 to increase the severance tax on phosphate rock from \$1.31 per ton severed to \$1.62 per ton. In addition, a new distribution formula for the tax proceeds was adopted, eliminating the General Revenue distribution for Fiscal Year 2003-04. Beginning July 1, 2003, after the first \$10 million goes to the Conservation and Recreation Lands (CARL) Trust Fund, the remaining revenues were distributed as follows: 18.75 percent to the county where mined; 11.25 percent to the Phosphate Research Trust Fund; 11.25 percent to the Minerals Trust Fund; 43.75 percent to Non-Mandatory Land Reclamation (NMLR) Trust Fund; and 15.0

## SEVERANCE TAXES - SOLID MINERALS

percent to counties that have been designated a Rural Area of Critical Economic Concern. Beginning July 1, 2004, after the first \$10 million goes to the CARL Trust Fund, the remaining revenues were distributed as follows: 40.1 percent to the General Revenue Fund; 16.5 percent to the county where mined; 9.3 percent to the Phosphate Research Trust Fund; 10.7 percent to the Minerals Trust Fund; 10.4 percent to NMLR Trust Fund; and 13.0 percent to any county designated a Rural Area of Critical Economic Concern.

Chapter 2008-150, L.O.F. (SB 1294), amended s. 211.3103, F.S., relating to the severance tax on phosphate rock. A surcharge of \$1.38 per ton severed was imposed, and the excise tax rate was set at \$1.945 per ton severed. This excise tax rate is to remain constant until July 1 of the fiscal year following the date when revenues collected from the surcharge equal or exceed \$60 million. At that point, a base rate of \$1.51 per ton severed is established. Each taxpayer is allowed a surcharge offset equal to the difference between the rate that would have been charged based on the base rate adjustment during the period and the rate of \$1.51 times the tonnage severed. Distribution of the tax will also change when the surcharge equals \$60 million. At that time, proceeds of the tax on phosphate rock will be exempt from the General Revenue Service Charge, with the proceeds divided as follows: 25.5 percent to the CARL Trust Fund; 37 percent to the General Revenue Fund; 13.6 percent to counties in proportion to the tons of phosphate rock produced within each county; 10.7 percent to counties designated as Rural Areas of Critical Economic Concern in proportion to the tons of phosphate rock produced within each county; 6.6 percent to the NMLR Trust Fund; and 6.6 percent to the Phosphate Research Trust Fund in the Division of Universities of the Department of Education.

Chapter 2010-166, L.O.F. (HB 5801), amended s. 211.3103, F.S., relating to the severance tax on phosphate rock. The tax rate for Fiscal Year 2010-11 was set at \$1.71 per ton severed, and the tax rate for Fiscal Year 2011-12 was set at \$1.61 per ton severed. The distribution of the tax for Fiscal Year 2010-11 is: 21.9 percent to the CARL Trust Fund; 37.1 percent to General Revenue; 12 percent to counties in proportion to the tons of phosphate rock produced within each county; 9.4 percent to counties designated as Rural Areas of Critical Economic Concern in proportion to the tons of phosphate rock produced within each county; 5.8 percent to the NMLR Trust Fund; 5.8 percent to the Phosphate Research Trust Fund; and 8.0 percent to the Minerals Trust Fund. Beginning in Fiscal Year 2010-11, severance tax proceeds are exempt from the General Revenue Service Charge. The legislation also set distribution percentages for Fiscal Year 2011-12 at: 25.5 percent to the CARL Trust Fund; 35.7 percent to General Revenue; 12.8 percent to counties in proportion to the tons of phosphate rock produced within each county; 10.0 percent to counties designated as Rural Areas of Critical Economic Concern in proportion to the tons of phosphate rock produced within each county; 6.2 percent to the NMLR Trust Fund; 6.2 percent to the Phosphate Research Trust Fund; and 3.6 percent to the Minerals Trust Fund.

Chapter 2012-32, L.O.F. (HB 7087), amended s. 211.3103, F.S., relating to the severance tax on phosphate. For the period between January 1, 2015, and December 31, 2022, the tax rate shall be \$1.80 per ton severed. The distribution for this period is: 22.8 percent to the CARL Trust Fund; 31.9 percent to General Revenue; 11.5 percent to counties in proportion to the tons of phosphate rock produced within each county, 8.9 percent to counties designated as Rural Areas of Critical Economic Concern in proportion to the tons of phosphate rock produced within each county; 16.1 percent to the NMLR Trust Fund; 5.6 percent to the Phosphate Research Trust Fund, and 3.2 percent to the Minerals Trust Fund.

Chapter 2015-229 amended s.211.3103, F.S., relating to the severance tax on phosphate. The State Park Trust Fund replaced the Conservation and Recreation Lands Trust Fund, receiving 22.8 percent of the severance tax on phosphate. After January 1, 2024, the distribution for the tax is: 25.5 percent to the State Park Trust Fund; 35.7 percent to General Revenue; 12.8 percent to counties in proportion to the tons of phosphate rock produced within each county, 10.0 percent to counties designated as Rural Areas of Critical Economic Concern in proportion to the tons of phosphate rock produced within each county; 6.2



## SEVERANCE TAXES - SOLID MINERALS

percent to the NMLR Trust Fund; 6.2 percent to the Phosphate Research Trust Fund, and 3.6 percent to the Minerals Trust Fund.

### BASE AND RATE:

Phosphate: Beginning January 1, 2023, the tax rate is \$1.61 per ton severed. From January 1, 2015 through December 31, 2022, the rate was \$1.80.

Calendar Year	Tax Rate Per Ton of Phosphate	Total Tons
2024	\$1.61	11,119,926
2023	\$1.61	11,437,298
2022	\$1.80	12,112,097
2021	\$1.80	15,715,916
2020	\$1.80	14,087,012
2019	\$1.80	15,322,254

Heavy Minerals: Calculated annually by multiplying the base rate (\$1.34 per ton) by the base rate adjustment for that year. The base rate adjustment factor is a five-year moving average of the annual Producer Price Index for heavy metals. The tax rate for calendar year 2025 is set at \$3.80 per ton (DOR TIP #25B07-01).

Other Solid Minerals: Eight percent of value at the point of severance.

### DISPOSITION:

Phosphate Distribution:	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27
State Park Trust Fund	25.5%	25.5%	25.5%
General Revenue Fund	35.7%	35.7%	35.7%
County where Mined	12.8%	12.8%	12.8%
Phosphate Research Trust Fund	6.2%	6.2%	6.2%
Minerals Trust Fund	3.6%	3.6%	3.6%
Non-Mandatory Land Reclamation Trust Fund	6.2%	6.2%	6.2%
Counties Designated as Rural Areas of Critical Economic Concern	10.0%	10.0%	10.0%
Other Solid Minerals (Excluding Phosphate and Heavy Minerals) Distribution:	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27
General Revenue Fund	32.0%	32.0%	32.0%
Minerals Trust Fund	68.0%	68.0%	68.0%

### OTHER STATES:<sup>1</sup>

Thirty-nine other states levy a severance tax on natural resources. Many states levy taxes on specific resources, but some have general resource severance taxes, which may include oil and gas, minerals, and forestry products. The tax is generally based on the market value of the resource severed, except for coal,

<sup>1</sup> The Book of the States | 2021 | Volume 53 by The Council of State Governments (Table 7.29), [https://issuu.com/csg.publications/docs/bos\\_2021\\_issuu](https://issuu.com/csg.publications/docs/bos_2021_issuu)

## SEVERANCE TAXES - SOLID MINERALS

where the rate is sometimes based on the amount of production. Some states assess a percentage of gross value while others levy a dollar amount. The rate varies from state to state and is often graduated according to type and quality. Credits or refunds are sometimes given for reclamation work.

### VALUE OF RATE CHANGE:

Increasing the current tax rate on phosphate by 10 cents in Fiscal Year 2026-27 would produce about \$1.0 million in total (about \$0.3 million to General Revenue).

### VALUE OF EXEMPTIONS:

Although s. 211.3108, F.S., provides four specific exemptions, no exemptions have been taken in the past five years. The four exemptions are for taxes due on: (1) solid minerals sold to governmental entities in Florida; (2) solid minerals, except phosphate rock and heavy minerals, on which the sales tax is ultimately paid; (3) solid minerals extracted by the owner of the site for improving the site, subject to a restoration or reclamation program; and (4) solid minerals, except for phosphate rock, which are severed solely for direct application in agricultural uses.

Although s. 212.085(5)(b)5., F.S., provides a credit against severance taxes due for machinery and equipment purchased for use in phosphate or other solid mineral severance, mining, or processing operations, no credit has been taken under this provision for the past five years. Additionally, the exemption is conditioned upon the machinery and equipment purchase being made for a new or expanding business.

### DISTRIBUTION TO TRUST FUNDS (TF) (in \$M):

Distribution to:	State Parks TF	Nonmandatory Land Reclamation TF	Phosphate Research TF	Minerals TF
2024-25	\$4.6	\$0.9	\$0.9	\$1.0
2023-24	\$4.7	\$0.9	\$0.9	\$1.1
2022-23	\$5.0	\$2.3	\$1.1	\$1.1
2021-22	\$5.7	\$2.5	\$1.3	\$1.1
2020-21	\$6.4	\$4.2	\$1.5	\$1.4
2019-20	\$6.3	\$4.1	\$1.4	\$1.5

### DISTRIBUTION TO COUNTIES\* (in \$M):

Distribution to:	Counties of Production	Counties within designated Rural Areas of Critical State Concern
2024-25	\$2.292	\$1.790
2023-24	\$2.366	\$1.834
2022-23	\$2.551	\$1.978
2021-22	\$2.814	\$2.177
2020-21	\$3.146	\$2.435
2019-20	\$3.171	\$2.454

\* Provided by the Department of Revenue

## SEVERANCE TAXES - SOLID MINERALS

### ALTERNATIVE BASES:

A number of other states impose a severance tax or fee on other severed products, including fisheries, coal, and timber or forestry products. Several states currently impose a severance tax on timber or forestry products.<sup>2</sup>

<i>State</i>	<i>Tax or Fee</i>
<b>Alabama</b>	Forest Products Severance Tax
<b>Arkansas</b>	Timber Severance Tax
<b>California</b>	Lumber Products Assessment
<b>Illinois</b>	Timber Fee
<b>Louisiana</b>	Timber Severance Tax
<b>Mississippi</b>	Timber Severance Tax
<b>New Hampshire</b>	Timber Tax
<b>North Carolina</b>	Primary Forest Product Assessment Tax
<b>Oregon</b>	Forest Products Harvest Tax STF Severance Tax - Eastern Oregon Forestland Option STF Severance Tax - Western Oregon Forestland Option
<b>South Carolina</b>	Forest Renewal Tax
<b>Virginia</b>	Forest Products Tax
<b>Washington</b>	Timber Excise Tax
<b>West Virginia</b>	Timber Severance Tax
<b>Wisconsin</b>	Forest Crop Law Severance Tax Managed Forest Law Tax

Florida has an estimated 16,952,518 acres of forest land.<sup>3</sup> There are about 68 primary wood processing mills accounting for production in the State. The majority of roundwood production is from pulpwood (45.8%), with saw logs (26.3%) coming in second.

The timber industry was hard hit by Hurricane Michael in 2018.

Year	2018	2019	2020	2021	2022	2023
Volume (MCF) of roundwood <sup>4</sup>	645,107	514,241	533,792	498,174	454,040	409,237

A one-cent severance tax per cubic foot on all roundwood output would have yielded \$4.09 million in 2023.

<sup>2</sup> Ibid

<sup>3</sup> Florida State and Private Forestry Fact Sheet 2025, [https://apps.fs.usda.gov/nicportal/temp/pdf/sfs/naweb/fl\\_std.pdf](https://apps.fs.usda.gov/nicportal/temp/pdf/sfs/naweb/fl_std.pdf)

<sup>4</sup> Timber Products Output (TPO) Interactive Reporting Tool | US Forest Service Research and Development, <https://research.fs.usda.gov/products/dataandtools/timber-products-output-tpo-interactive-reporting-tool>

## SLOT MACHINE TAX & FEES

FLORIDA STATUTES: Chapter 551 & 550.135

ADMINISTERED BY: Formerly, the Department of Business and Professional Regulation, Division of Pari-Mutuel Wagering. As of July 1, 2022, the Florida Gaming Control Commission assumed oversight.

### SUMMARY:

Taxes are imposed at a rate of 35 percent on slot machine revenues at each pari-mutuel facility that has slot machines. Each facility must also pay an annual license fee of \$2.0 million and a fee of \$250,000 to fund programs for the prevention of compulsive gambling. A series of occupational license fees for employees of the facilities and associated businesses is also imposed.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Slot Machine Tax Collections	Facility License Fee Collections	Occupational Licenses Fees (Including Fingerprint Fees)	Addictive Gambling Program Fee Collections
2026-27*	261,900,000	0.96%	245,700,000	14,000,000	200,000	2,000,000
2025-26*	259,400,000	1.06%	243,200,000	14,000,000	200,000	2,000,000
2024-25	256,683,308	-2.00%	240,631,566	14,000,000	301,743	1,750,000
2023-24	261,927,980	-0.05%	243,578,429	16,000,000	349,552	2,000,000
2022-23	262,067,731	0.18%	241,619,936	18,000,000	197,795	2,250,000
2021-22	261,596,932	40.25%	241,035,489	18,000,000	311,443	2,250,000
2020-21	186,516,786	6.60%	168,162,562	16,000,000	354,224	2,000,000

\* Estimate

### HISTORY:

Slot machines were first made legal in Florida for a limited time period running from 1935 to 1937. Slots activity after that was illegal. Florida voters rejected separate casino gambling proposals in 1979 and 1986. In November 1994, Florida voters defeated a proposed constitutional amendment which would have authorized up to 47 casinos, including five riverboat casinos and 30 casinos at existing pari-mutuel facilities. In November of 2004, voters approved an amendment to the Florida Constitution which resulted in the creation of Section 23, Article X, which allows the authorization of slot machines in pari-mutuel facilities in Miami-Dade and/or Broward Counties, subject to voter approval. In 2005, the voters of Broward County approved slot machines by referendum, while Miami-Dade voters did not. Chapter 2005-362, L.O.F. (HB 1-B), provided for the regulation of slot machines. A tax rate of 50 percent was assessed on slot machine revenues, and facility license fees, occupational license fees, and a fee to fund an addictive gambling prevention program were established. Slot machines began operating in Broward County in late 2006. Chapter 2007-252, L.O.F. (HB 1047), increased the maximum number of machines in a facility from 1,500 to 2,000 and provided for increased operating hours.

In 2008, Miami-Dade voters approved slot machines in the pari-mutuel facilities in their county. Chapter 2010-29, L.O.F. (SB 622), provided for the following changes: (1) reduced the facility license fee from \$3.0 million to \$2.5 million in Fiscal Year 2010-11 and to \$2.0 million beginning in Fiscal Year 2011-12; (2) changed the payment frequency for taxes due from weekly to monthly beginning July 1, 2012; (3) authorized slot machines at Hialeah Park; (4) reduced the tax rate from 50 percent to 35 percent, with a floor on tax collections equal to 2008-09 collections; (5) allowed for progressive games; (6) changed the required prize payout percentage; and (7) reduced the minimum age for players from 21 to 18.

## SLOT MACHINE TAX & FEES

Chapter 2021-271, L.O.F. (SB 8-A) established a revised and updated Indian Gaming Compact, but did not become effective until August 11, 2021 when the approved 2021 Gaming Compact between the State of Florida and the Seminole Tribe of Florida was published in the Federal Register. Chapter 2021-271, L.O.F. (SB 8-A) provided that slot machine gaming areas may be open 24 hours per day throughout the year.

Chapter 2022-179, L.O.F. (SB 2510) provided that the Florida Gaming Control Commission shall evaluate the slot license fees and make specified recommendations to the Legislature before January 1, 2026. Additionally, it removed the requirement in s. 550.135, F.S., that unappropriated funds in excess of those necessary for incurred obligations and subsequent year cash flow for slot machine regulation operations be deposited into the General Revenue Fund.

Chapter 2025-208, L.O.F. (HB 7031) amended Section 551.106(1)(a), F.S. adding, “Beginning July 1, 2025, each thoroughbred permitholder in compliance with this chapter is not required to pay an annual license fee to the commission as a condition of renewal.”

### BASE AND RATE:

Slot Machine Tax: 35 percent of slot machine revenues.

Facility License Fee: \$2.0 million annually.

Occupational Licenses: Determined by rule. Up to \$50 annually for a general or professional occupational license for an employee of the slot machine licensee; up to \$1,000 annually for a business occupational license for nonemployees of the licensee providing goods or services to the slot machine licensee.

Addictive Gambling Program Fee: \$250,000 annually for each facility which has slot machines.

### DISPOSITION:

Slot Machine Tax: All proceeds are distributed to the Educational Enhancement Trust Fund.

Facility License Fee: Of total collections, 8 percent are deducted as service charges to the General Revenue Fund, with the remainder going to the Pari-Mutuel Wagering Trust Fund.

Occupational Licenses: Of total collections, 8 percent are deducted as service charges to the General Revenue Fund, with the remainder going to the Pari-Mutuel Wagering Trust Fund.

Addictive Gambling Program Fee: Of total collections, 8 percent are deducted as service charges to the General Revenue Fund, with the remainder going to the Pari-Mutuel Wagering Trust Fund to contract for services related to the prevention of compulsive and addictive gambling.

Prior to the 2022 Legislative Session, funds deposited into the Pari-mutuel Wagering Trust Fund pursuant to ss. 551.106, 551.107(2)(a)1., and 551.118 were reserved in the trust fund for slot machine regulatory operations. On June 30, any unappropriated funds in excess of those necessary for incurred obligations and subsequent year cash flow for slot machine regulatory operations were deposited with the Chief Financial Officer to the credit of the General Revenue Fund. This amounted to \$3 million in FY 2021-22, \$10 million in FY 2020-21, \$11.7 million in FY 2019-20, \$11.6 million in FY 2018-19 and \$11.5 million in FY 2017-18. This transfer is no longer required.

## SLOT MACHINE TAX & FEES

### OTHER STATES:

Currently, many states offer slot machines or video lottery terminals in some venue. Tax rates and venue restrictions vary widely by state.

2026-27  
(millions)

### VALUE OF RATE CHANGE:

1 percent increase in Slot Machines Tax Rate (s.551.106 (2)(a))

\$7.1

## TOBACCO SETTLEMENT PAYMENTS

FLORIDA STATUTES: Sections 17.41 and 215.56005

ADMINISTERED BY: Department of Financial Services

### SUMMARY:

Tobacco settlement payments are funds received by the state that result from the settlement of State of Florida vs. American Tobacco Co., et al.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	319,000,000	-0.96%
2025-26*	322,100,000	-1.80%
2024-25	327,991,528	-6.88%
2023-24	352,233,719	-8.53%
2022-23	385,095,678	-6.55%
2021-22	412,100,751	2.37%
2020-21	402,568,422	20.06%

\* Estimate

### HISTORY:

On August 25, 1997, the State of Florida as plaintiff entered into a settlement agreement as the result of a lawsuit (State of Florida, et al. v. American Tobacco Company, et al.). The settlement provided for payments to the state in perpetuity in the amount of \$440 million annually beginning in 1999, with annual adjustments for inflation, profits and the level of sales of the settling defendants. In addition, the state received payments from 1998 through 2002 as a result of the Multi-State Settlement Agreement between the tobacco companies and 46 other states which were not party to the original agreement. Since FY 2010-11, the state of Florida has also received annual settlement funds from Liggett; those payments will expire in FY 2030-31.

In 1999, the Lawton Chiles Endowment Fund (Chapter 99-167, L.O.F.; HB 1855) was established to provide a perpetual funding source for the enhancement of state health programs and biomedical research. The fund was established with the initial settlement payments and payments accruing to the state from the Multi-State Settlement Agreement. Chapter 2000-128, L.O.F. (HB 1721), created the Tobacco Settlement Financing Corporation which was granted authority to issue bonds secured by tobacco settlement funds, but the Corporation has never used its bonding authority.

On January 18, 2017, the State of Florida filed a Motion to Join ITG Brands, LLC as a Defendant and to enforce the Settlement Agreement in the State of Florida, et. al., v. Am. Tobacco Co., R.J. Reynolds Tobacco Co., et. al., No. 95-1466 AH (Fla. 15th Cir. Ct.). On August 18, 2018, the Circuit Court entered a final judgment specifying the principal sum and interest due from R.J. Reynolds to the State of Florida for the period June 12, 2015, through April 30, 2018, as well as providing guidance on how any future unpaid liability to the State should be calculated. In addition, the final judgment reflected the court's rulings issued December 27, 2017, and May 24, 2018, collectively known as the "Liability Orders." R.J. Reynolds subsequently appealed the lower court's decision regarding its liability. On July 29, 2020, the District Court of Appeal unanimously affirmed the lower court's final judgment in all respects, and on September 18, 2020, denied the Appellant's motion for rehearing, rehearing en banc, and certification to the Florida Supreme Court. In response, R.J. Reynolds paid the State of Florida \$192,869,589.86 million to cover the full amount of the outstanding judgment (inclusive of principal and interest). This amount

## TOBACCO SETTLEMENT PAYMENTS

was deposited into the General Revenue Fund on October 6, 2020. Notwithstanding this payment, R.J. Reynolds filed Notice to Invoke Discretionary Jurisdiction of the Florida Supreme Court on October 15, 2020, seeking review of the District Court of Appeal's opinion. On December 18, 2020, the Florida Supreme Court declined to accept jurisdiction and denied the petition for review, indicating that no motion for rehearing would be entertained.

In 2021, Chapter 2021-43 L.O.F. (HB 5011) terminated the Lawton Chiles Endowment Fund and repealed section 215.5601, Florida Statutes, which established the fund. The legislation directed the State Board of Administration to redirect all existing funds from the Lawton Chiles Endowment Fund to the Budget Stabilization Trust Fund by June 30, 2022.

### DISPOSITION:

Settlement payments are deposited in the Tobacco Settlement Trust Fund for use as appropriated by the Legislature.

### OTHER STATES:

All states now receive payments through various settlements. Some states have transferred their rights to future payments to other entities in return for lump-sum payments.



**UNCLAIMED PROPERTY  
(STATE SCHOOL TRUST FUND)**

FLORIDA STATUTES: Chapter 717

ADMINISTERED BY: Department of Financial Services

**SUMMARY:**

Real and intangible property of Florida citizens held by businesses is deemed abandoned after a statutorily defined period of inactivity or nonuse. Such property is required to be transferred to the state pending claims from rightful owners. Property held by the state is available to the rightful owners indefinitely, upon filing a claim and establishing rightful ownership. All funds received under Chapter 717, F.S., are deposited in the Unclaimed Property Trust Fund, from which the Department of Financial Services makes payment of claims and pays the costs of administering the unclaimed property program. All remaining funds in excess of \$15 million are typically transferred to the State School Trust Fund administered by the Department of Education.

**REVENUE:**

Fiscal Year	Total Collections	Annual Change %	State School Trust Fund
2026-27*	795,400,000	-2.10%	338,300,000
2025-26*	812,500,000	-57.60%	367,400,000
2024-25**	1,916,200,000	149.25%	450,000,000
2023-24	768,800,000	-8.22%	395,000,000
2022-23	837,700,000	31.32%	425,000,000
2021-22	637,900,000	-7.21%	263,300,000
2020-21	687,500,000	37.06%	328,500,000

\*Estimate

\*\* The sharp spike in collections in FY 2024-25 includes \$1.09 billion in atypical collections prompted by Chapter 2024-140, Laws of Florida, being enacted

**HISTORY:**

Abandoned property is a category of the common law of property which deals with personal property which has left the possession of its rightful owner without having directly entered the possession of another person. In 1981, the National Conference of Commissioners on Uniform State Laws sought to address the problems arising from these types of property through provisions of the Uniform Unclaimed Property Act. In 1987, Florida adopted the Florida Disposition of Unclaimed Property Act (Chapter 87-105, L.O.F.) to provide a statutory procedure for the escheat and disposition of presumably abandoned property to the state. In 2001, Chapter 717, F.S., was rewritten primarily to update the administration of the Act (Chapter 2001-36, L.O.F. (HB 107)).

Chapter 2003-281, L.O.F. (HB 513), provided that dormant proceeds from insurance demutualization were deemed abandoned after two years. Chapter 2007-256, L.O.F. (SB 1638), removed gift cards and similar items from property subject to the provisions of Chapter 717, F.S.

Chapter 2013-172, L.O.F. (SB 492), reduced the dormancy period from five years to two years for intangible property held in trust by a fiduciary. As implemented by the Department of Financial Services, this law change only affects testamentary and inheritance-type trusts. Chapter 2013-34, L.O.F. (SB 464), authorized the Department of Financial Services to allow electronic submission of claims, including an alternative method of identity verification for property under \$1,000 in value.

## **UNCLAIMED PROPERTY (STATE SCHOOL TRUST FUND)**

Chapter 2016-90, L.O.F. (HB 783), increased the value of small estates that can be claimed without a probate court order from \$5,000 to \$10,000 and expanded the authorization of the Department of Financial Services with respect to estimating the value of unclaimed property when a property holder refuses to provide records requested by the department during an audit. Chapter 2016-219, L.O.F. (SB 966), required all life insurance companies to conduct an annual match of policies against the Death Master File to determine whether the death of an insured, annuitant, or retained asset account holder is indicated. The legislation also changed the start of the dormancy period from the date the “funds became due and payable as established from the records of the insurance company” to the “date of death of the insured, the annuitant, or the retained asset account holder.”

Chapter 2018-71, L.O.F. (HB 1361), clarified that unclaimed property in the court registry will escheat to the state under the provisions of Chapter 717, F.S., and required Clerks of Court to report and remit any funds that remain unclaimed one year after an owner or entitlement has been determined. The legislation eliminated the surplus trustee process for judicial sales and, instead, required Clerks of Court to report and remit to the state under the provisions of Chapter 717, F.S., any funds that remain unclaimed one year after the judicial sale. The legislation specified that any surplus of less than \$10 will escheat to the Clerk rather than to the state and also repealed the \$25 surplus trustee annual application/renewal fee.

Chapter 2019-140, L.O.F. (HB 1393), authorized DFS to develop and implement an identification verification and disbursement process for accounts valued at \$2,000 or less. The process would allow the department to disburse refunds automatically to apparent owners after the department verifies that the owner is living and the current address is correct. The new legislation also authorized DFS to develop and implement an identification verification and disbursement process for accounts for which the apparent owner is a public agency, including state agencies, county governments, public school districts, municipalities, and special taxing districts.

Chapter 2021-144, L.O.F. (HB 425), required the Division of Unclaimed Property to adopt forms for an Unclaimed Property Recovery Agreement and an Unclaimed Purchase Agreement. The legislation allows the Division of Unclaimed Property to accept electronic claims for unclaimed property valued at \$2,000 or less. Prior to the legislation, electronic claims for unclaimed property could only be accepted at \$1,000 or less.

Chapter 2024-140, L.O.F. (CS/CS/CS/HB 989), updated statutory definitions and procedures to account for modern business and consumer practices. The legislation revised section 717.1101, F.S., which now clearly states stock, or other equity interest in a business association, is presumed unclaimed after notice of the owner’s death or 3 years after the most recent owner-generated activity recorded in the holder’s database or records system. The legislation also defined virtual currency and set a dormancy period of five years before a banking organization, corporation, custodian, exchange, or other entity filing a report of unclaimed property with the Division of Unclaimed Property must liquidate the virtual currency and remit the proceeds to the state.

### **DISPOSITION:**

Property transferred to the state is deposited into the Unclaimed Property Trust Fund for eventual transfer to the State School Trust Fund.

### **OTHER STATES:**

Every state has unclaimed property laws which declare money, property, and other assets to be abandoned after a period of inactivity.

## VESSEL LICENSES

FLORIDA STATUTES: Chapter 328

ADMINISTERED BY: Department of Highway Safety and Motor Vehicles

### SUMMARY:

All motorboats operated on Florida waters must be registered annually with the Department of Highway Safety and Motor Vehicles. License fees are based on the length of the boat and range from a low of \$5.50 to a high of \$189.75. All counties are authorized to impose an annual vessel registration fee which must be equal to 50 percent of the applicable state vessel registration fee. State License Fees may be discounted when the owner has proved ownership of an e-PIRB locator beacon.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %	Marine Resources Conservation TF/ Invasive Plant Control TF	State Agency Law Enforcement Radio System Trust Fund	General Inspection Trust Fund
2026-27*	24,568,777	-0.64%	23,404,181	789,934	374,662
2025-26*	24,726,752	-1.22%	23,552,308	797,410	377,034
2024-25	25,032,916	-2.69%	23,848,564	802,576	381,776
2023-24	25,725,680	-4.04%	24,544,143	804,098	377,439
2022-23	26,807,590	3.65%	25,585,195	817,360	405,035
2021-22	25,864,469	-0.66%	24,665,875	822,831	375,763
2020-21	26,037,162	14.82%	24,814,285	851,589	371,288

\* Estimate

### HISTORY:

In lieu of property taxes, boats must be registered and numbered in Florida. A major portion of collections are appropriated annually for boating related programs operated by counties. The 1984 Legislature authorized the annual appropriation of \$250,000 from the Motorboat Revolving Trust Fund to the Save the Manatee Trust Fund to be used to protect and recover manatee and other marine mammals. Applicants may pay an additional \$2 - \$5 voluntary contribution for manatee and marine protection and an additional \$5 voluntary contribution to the Marine Turtle Protection Trust Fund to be used for turtle protection, research, and recovery. In 1988, a \$1 surcharge was added to each annual vessel registration for deposit into the State Agency Law Enforcement Radio System Trust Fund for the acquisition and implementation of a statewide law enforcement radio communications system. In 1990, all counties, not just those counties with a population of 100,000 or more, were authorized to impose an annual vessel registration fee. The fee must be equal to 50 percent of the applicable state vessel registration fee. The annual appropriation to the Save the Manatee Trust Fund was changed from a flat "\$250,000" to "equal to" \$1 for each vessel registration in the state. An additional 50 cents per vessel registration was authorized for transfer to the Save the Manatee Trust Fund in 1991 and vessel registrations fees were increased by 50 cents.

Chapter 95-333, L.O.F. (HB 725), transferred vessel registrations from the Department of Environmental Protection to the Department of Highway Safety and Motor Vehicles. Effective July 1, 1996, the vessel registration period was changed from June 1 to the vessel owner's birth month. The legislation also required county tax collectors to remit vessel registration fees to the department within five working days after the close of the business day the fees are collected. The 1996 Legislature terminated the Motorboat Revolving Trust Fund effective July 1, 1996, and provided for the deposit of vessel registration fees into

## VESSEL LICENSES

the Marine Resources Conservation Trust Fund. Chapter 99-289, L.O.F. (HB 589), changed the Florida Statutes references from Chapter 327 to Chapter 328. Chapter 99-248, L.O.F. (SB 1270), added a 50 cent fee on every annual vessel registration for deposit into the Highway Safety Operating Trust Fund to cover the cost of the Florida Real Time Vehicle Information System. The 2000 Legislature authorized the tax collector to distribute the county portion of vessel registration fees directly to the board of county commissioners instead of to the Department of Highway Safety and Motor Vehicles for distribution back to the counties where collected. Chapter 2001-196, L.O.F. (SB 1956), capped administrative costs for vessel registration at \$1.4 million for deposit into the Highway Safety Operating Trust Fund. Chapter 2005-157, L.O.F. (HB 955), distributed \$1 of the county portion of the state vessel registration fee to the Marine Resources Conservation Trust Fund to fund grant programs for public launching facilities.

Chapter 2007-242, L.O.F. (HB 275), created the biennial vehicle registration option. Vehicle owners are permitted to pay the vehicle registration taxes in advance for two years and are then issued the appropriate decal for their license plate. The fees for a two-year registration are double that of an annual registration however the distribution of the revenue does not actually occur until the year in which it would have normally been collected.

Chapter 2008-106, L.O.F. (SB 1286), raised all vessel registration fees effective July 1, 2008, by 50 to 60 percent. The vessel dealer registration fee was also raised to \$25.50. In addition, beginning in 2013 and every five years thereafter, the vessel registration fees are to be adjusted by the percentage change in the Consumer Price Index for All Urban Consumers.

Chapter 2013-194, L.O.F. (HB 333), deleted the requirement that vessel registration fees be adjusted by the percentage change in Consumer Price Index for All Urban Consumers. Chapter 2013-160, L.O.F. (HB 7125), changed the deposit ceiling to Highway Safety Operating Trust Fund from \$1.4 million to equal the administrative costs incurred by the department.

Chapter 2016-126, L.O.F. (HB 427), provided a license fee reduction for vessels that have an authorized e-PIRB locator beacon. The discount varies by vessel size and ranges from a \$1.26 to \$22.64 reduction in the license fee.

Chapter 2016-126, L.O.F. (HB427), allowed a \$400,000 transfer from the Department of Highway Safety and Motor Vehicles to the General Inspection Trust Fund to expire on July 1, 2017. These funds were used to fund activities relating to the protection, restoration, and research of the natural oyster reefs and beds of the state.

Chapter 2019-54, L.O.F. (SB1666), redirected a portion of the county retained vessel registration fee to the Marine Resources Trust Fund to fund derelict vessel removal grants. The amounts vary by vessel size and range from \$0.25 to \$25.46 for each 12 month period registered.

### BASE AND RATE:

All motorboats: Boats and canoes with motors under 12 feet - \$5.50; others - \$16.25 to \$189.75, depending on length. Dealer - \$25.50 and \$2.50 service fee to issuing agent. All counties may impose an annual vessel registration fee which must be equal to 50 percent of the applicable state vessel registration fee. In addition, a \$1.00 surcharge annually on each vessel registration as provided for in s. 328.72(1), F.S., for deposit in the State Agency Law Enforcement Radio System Trust Fund. In addition, a 50 cents annual fee on each vessel registration to cover the cost of the Florida Real Time Vehicle Information System for deposit into the Highway Safety Operating Trust Fund.

## VESSEL LICENSES

### DISPOSITION:

Marine Resources Conservation Trust Fund: Administration, recreational channel marking, public launching facilities, law enforcement, quality control programs, aquatic weed control, manatee protection, recovery, rescue, and rehabilitation, marine mammal protection and recovery, and marine research.

Invasive Plant Control Trust Fund: Aquatic plant research and control.

State Agency Law Enforcement Radio System Trust Fund: Acquiring and implementing a statewide radio communications system to serve state and local law enforcement agencies.

General Inspection Trust Fund: Shellfish and aquaculture development and quality control programs and research of the natural oyster reefs and beds of the state.

### OTHER STATES:

Registration of recreational boats is required in all states. Forty-seven states conduct their own registration and licensing within terms of Federal statutes. Registration in the other three states is performed by the U. S. Coast Guard.

## WORKERS' COMPENSATION ASSESSMENTS

FLORIDA STATUTES: Chapter 440

ADMINISTERED BY: Department of Financial Services, Division of Workers' Compensation

### SUMMARY:

The Special Disability Trust Fund was created to facilitate the reemployment of a worker with a disability or reemployment of a worker following an injury by reducing an employer's insurance premium for reemploying an injured worker. The Workers' Compensation Administration Trust Fund was established for the purpose of providing for the payment of all expenses with respect to the administration of Chapter 440, F.S. The Workers' Compensation Administration Trust Fund and the Special Disability Trust Fund are maintained by annual assessments on net premiums paid by insurance companies writing workers' compensation in Florida.

### REVENUE:

Fiscal Year	Workers' Compensation Administration Trust Fund	Annual Change %	Special Disability Trust Fund	Annual Change %
2026-27*	55,509,796	2.49%	13,183,684	0.72%
2025-26*	54,161,548	2.70%	13,089,803	-11.25%
2024-25	52,735,703	-2.43%	14,749,848	-16.66%
2023-24	54,051,832	0.55%	17,698,944	-1.29%
2022-23	53,758,284	7.92%	17,930,035	10.71%
2021-22	49,811,043	1.54%	16,196,011	3.16%
2020-21	49,053,224	-12.74%	15,699,533	-14.76%

\* Estimate

### HISTORY:

Florida adopted workers' compensation laws in 1935. The purpose of the assessments is to fund the Workers' Compensation Administration Trust Fund and the Special Disability Trust Fund. These funds are for administrative expenses and the funding of the Special Disability Trust Fund. Assessments are made annually according to estimated expenses. In 1979, major revisions were made in the statutes for administrative purposes. The 1990 Legislature performed a comprehensive rewrite of the Workers' Compensation statute and in 1991, certain exemptions were reinstated. Substantial reform of the workers' compensation system was adopted by the 1993 Legislature in SB 12-C, during Special Session "C." Chapter 96-423, L.O.F. (HB 2723), postponed the Special Disability rate increase to 7.25 percent from July 1, 1996, to July 1, 1997. Chapter 97-262, L.O.F. (HB 1933), provided that the Special Disability Trust Fund assessment rate could not exceed 4.52 percent. In addition, the Special Disability Trust Fund is supplemented by a \$250 notification fee on each notice of claim filed or re-filed after July 1, 1997, and a \$500 fee on each proof of claim filed after July 1, 1997. Chapter 2000-150, L.O.F. (SB 2532), reduced the cap on the assessment for the Administration Trust Fund from 4 percent to 2.75 percent, effective January 1, 2001. Chapter 2014-109 L.O.F. (HB 271), reduced the cap on the assessment for the Special Disability Trust Fund from 4.52 percent to 2.5 percent effective January 1, 2015.

Effective January 1, 2004, the department imposed a \$25 penalty for late payments or disallowances or denials of medical, hospital, pharmacy, or dental bills that are below the 95 percent timely performance standard, but meeting a 90 percent timely performance standard; and \$50 for each bill below a 90 percent timely performance standard. These penalties are paid by the carrier to the Workers' Compensation Administration Trust Fund. In order to ensure carrier compliance, the department imposed a penalty of \$50 per number of installments below the 95 percent timely payment performance standard and equal to or greater than 90 percent timely payment performance standard and \$100 per number of installments of compensation below a 90 percent timely payment performance standard to the Workers' Compensation Administration Trust Fund.

## **WORKERS' COMPENSATION ASSESSMENTS**

### **BASE AND RATE:**

Assessments are applied to calendar year premiums for the Workers' Compensation Administration Trust Fund and on a fiscal year basis for the Special Disability Trust Fund. The assessment rates for the Workers' Compensation Administration Trust Fund for calendar year 2025 is 0.79 percent. The rate for calendar year 2026 is one quarter at 0.79 percent and three quarters at 0.90 percent. The Fiscal Year 2025-26 and Fiscal Year 2026-27 assessment rates for the Special Disability Trust Fund are 0.30 percent.

**Assessment Base:** Both funds are supported by annual assessments against workers' compensation insurance premiums, actual and estimated. For insurance companies, assessable mutual insurers, and self-insurance funds, assessments are based on actual premiums; for individual self-insurers, assessments are based on the amount of premiums calculated by the Division of Workers' Compensation.

### **DISPOSITION:**

Workers' Compensation Administration Trust Fund and Special Disability Trust Fund

### **OTHER STATES:**

All states and the District of Columbia have workers' compensation laws. Some require compulsory insurance. Others allow self-insurers to operate, as Florida does. Most levy a tax or assessment on insurance premiums to finance administration of the laws.





**MAJOR LOCAL GOVERNMENT  
REVENUE SOURCES**



## AD VALOREM TAXES

FLORIDA STATUTES: Chapters 192, 193, 194, 195, 196, 197, and 200

ADMINISTERED BY: Units of Local Government and Florida Department of Revenue

SUMMARY: Ad valorem taxes are annual taxes levied by local governments based on the value of real and tangible personal property as of January 1 of each year. Florida's constitution prohibits the state government from levying ad valorem tax on any property except for intangible personal property. The taxable value of real and tangible personal property is the just value (i.e., the fair market value) of the property adjusted for any exclusion, differential, or exemption allowed by the Florida Constitution or the statutes. The Florida Constitution strictly limits the Legislature's authority to provide exemptions or adjustments to fair market value. Also, with certain exceptions for voter-approved levies, the Florida Constitution limits county, municipal and school district levies to ten mills each. Tax bills are mailed to property owners in November of each year based on the previous January 1st valuation and payment is due by the following March 31. Discounts are granted for early payment and most taxpayers pay by late November.

REVENUE: (millions)\*

Fiscal Year	Total Taxes Levied	% Change	Counties	% Change	School Districts	% Change	Municipalities	% Change	Special Districts **	% Change
2025-26***	59,367.4	8.1	23,222.1	8.4	22,935.8	7.6	9,432.5	9.2	3,777.1	6.5
2024-25	54,905.2	8.5	21,413.5	9.8	21,312.2	7.0	8,634.3	9.2	3,545.3	8.8
2023-24	50,589.2	14.2	19,507.1	12.1	19,915.5	16.8	7,907.5	12.6	3,259.2	14.9
2022-23	44,316.3	12.3	17,405.3	12.3	17,050.3	11.9	7,025.0	12.9	2,835.7	12.3
2021-22	39,474.1	5.3	15,492.1	6.3	15,237.5	4.0	6,220.3	5.6	2,524.3	6.2
2020-21	37,494.4	5.4	14,570.0	6.3	14,655.5	4.2	5,891.1	6.5	2,377.7	5.7
2019-20	35,556.7	7.4	13,711.2	7.5	14,062.8	7.7	5,533.9	7.2	2,248.9	5.3
2018-19	33,103.4	5.9	12,753.3	7.4	13,051.6	3.8	5,162.8	8.7	2,135.6	3.8
2017-18	31,250.6	5.6	11,874.3	7.7	12,568.6	2.5	4,749.3	9.3	2,058.4	4.3
2016-17	29,604.0	5.2	11,022.5	6.9	12,263.3	2.7	4,345.0	8.2	1,973.2	4.4
2015-16	28,152.9	6.8	10,306.4	7.2	11,939.7	6.3	4,016.9	8.8	1,889.9	3.7
2014-15	26,360.3	6.2	9,615.1	6.7	11,229.1	5.9	3,693.5	7.5	1,822.6	2.8
2013-14	24,822.8	3.6	9,010.3	5.2	10,605.1	2.5	3,435.1	3.8	1,772.3	1.3
2012-13	23,970.1	-1.2	8,561.7	-0.9	10,348.9	-2.1	3,309.4	1.3	1,750.1	-1.3
2011-12	24,250.9	-5.0	8,640.6	-5.0	10,570.6	-4.3	3,265.8	-3.1	1,773.9	-12.4
2010-11	25,536.7	-8.2	-9,092.3	-7.3	11,049.7	-8.4	3,369.8	-8.0	2,025.0	-11.0
2009-10	27,818.8	-7.9	9,811.3	-8.5	12,069.4	-7.7	3,662.9	-6.5	2,275.2	-9.1
2008-09	30,207.2	-2.7	10,717.5	-4.0	13,070.2	-1.2	3,917.6	-3.0	2,502.0	-3.9

## AD VALOREM TAXES

2007-08	31,039.5	2.0	11,168.0	-2.6	13,231.7	7.6	4,037.2	-0.5	2,602.6	0.1
2006-07	30,420.5	18.4	11,468.7	16.9	12,294.6	18.6	4,058.4	20.3	2,598.8	21.6

\* Includes operating and debt service taxes.

\*\* Includes independent special districts only; dependent special district and MSTU levies are included with supervisory unit levy.

\*\*\* Estimates based on proposed millage rates as of August 2025.

### HISTORY:

Property taxation in Florida dates from 1839, when a territorial enactment provided a tax “on every acre of first-rate land, half a cent; on every acre of second-rate land, one quarter cent; on every acre of third-rate land, one-eighth of a cent,” and various levies on other real and personal property. In the early days of statehood the most significant ad valorem tax was imposed not by local governments but by the state. The ad valorem tax was imposed primarily on agricultural land and slaves.<sup>1</sup>

The Florida Constitution of 1885 required the Legislature to provide for a uniform and equal rate of taxation, and to prescribe such regulations as shall secure a just valuation of all property, both real and personal, except such property as may be exempted by law for municipal, educational, literary, scientific, religious, or charitable purposes. It also provided an exemption to every widow with dependents and to every person who had lost a limb or become disabled by war or misfortune.

Amendments to the Florida Constitution of 1885:

- Intangible personal property may be taxed at a different rate from real and personal property, at a maximum rate of five mills. (1924) Before this amendment, there was no distinction between intangible and other property for tax purposes. This provision was implemented in 1931 by Chapter 15789, Laws of Florida. The new legislation levied a rate of two mills on most types of intangible property.
- Motor vehicles are not subject to ad valorem tax as personal property, and are subject only to a license tax for the operation of such vehicles. (1929)
- \$5,000 homestead exemption. (1934)
- No levy of ad valorem taxes on real or personal property for any state purpose. (1940)

In 1967, the Legislature passed a law providing for assessment of required pollution control facilities at salvage value. (Ch. 67-436, L.O.F.)

The current Florida Constitution, adopted in 1968, included these property tax provisions:

- No state ad valorem taxes on real or personal property;
- No ad valorem taxes on motor vehicles, boats, airplanes, trailers, trailer coaches, or mobile homes, as defined by law;
- All ad valorem taxation shall be at a uniform rate within each taxing district;
- property owned by a municipality and used exclusively by it for municipal or public purposes is exempt;
- Property used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law;
- \$1,000 minimum exemption for household goods, to be fixed by general law;
- \$500 exemption for widows, blind or totally and permanently disabled persons;

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<sup>1</sup> In 1865, the Legislature imposed, as part of the general county tax, a levy of \$2 on every dog over six months old. The tax collector was directed to kill any dog for which the tax was not paid. An exemption to the tax was provided for the City of Apalachicola. (Ch. 1502, L.O.F.)

## AD VALOREM TAXES

- Regulations shall be prescribed by law which shall secure a just valuation of all property for ad valorem taxation;
- Agricultural land or land used for non-commercial recreational purposes may be classified by general law and assessed on the basis of character or use;
- Tangible personal property held as stock in trade or livestock may be valued at a specified percentage of its value, by general law;
- A \$5,000 homestead exemption, and authorization for the legislation to enact general law providing a \$10,000 homestead exemption to property owners who are 65 or older or permanently and totally disabled;
- Counties, school districts, and municipalities shall, and special districts may, be authorized by law to levy ad valorem taxes;
- Millage rates are limited to ten mills for all county purposes, ten mills for municipal purposes, and ten mills for all school purposes; and a county furnishing municipal services may, to the extent authorized by law, levy additional taxes within the municipal millage; and
- The 1968 Florida Constitution changed the treatment of municipal property. Prior to 1968, Article IX, section 1 of the Florida Constitution provided that “(t)he Legislature shall provide for a uniform and equal rate of taxation;... and shall prescribe such regulations as shall secure a just valuation of all property, both real and personal, excepting such property as may be exempted by general law for municipal, education, literary, scientific, religious or charitable purposes.” Article VII, section 3 of the 1968 Florida Constitution, provides “(a)ll property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation.” The 1968 Florida Constitution does not authorize the Legislature to exempt municipal property from taxation unless it is used exclusively by the municipality for municipal or public purposes. This provision has led to extensive litigation when the Legislature has attempted to provide ad valorem tax exemptions for property leased by municipalities to private users.

### Significant Constitutional and Statutory Changes to Ad Valorem Property Taxation Since 1968

In 1975, Article VII, section 9 of the Florida Constitution, was amended to authorize ad valorem taxes for Water Management Districts. The Northwest Florida Water Management District is limited to 0.05 mill; the other districts are limited to one mill. Actual millage limits within these constitutional bounds are determined by the Legislature.

In 1976, the Legislature provided property tax exemptions for non-profit homes for the aged. (Ch. 76-234, L.O.F.) This legislation specified that residential units are used for a charitable purpose if they are occupied by permanent residents with incomes below certain limits. This legislation also provided the equivalent of a homestead exemption to residential units which did not qualify as being used charitable purpose, but were nonetheless occupied by permanent residents.

Several amendments to Article VII of the Florida Constitution were adopted in 1980:

- The homestead exemption was increased to \$25,000, but the exemption increase was tied to improvement in the level of assessment of homestead property. (The increase for city and county purposes was phased in over a three year period.)
- Counties and cities were given authority to enact ad valorem exemptions for new and expanding businesses, if such exemptions were approved by a referendum. The exemptions were limited to local-option millage levied by the county or city enacting the exemption. Such exemptions would expire after 10 years unless renewed by a subsequent referendum. (Implemented by Ch. 80-347, L.O.F.)

## AD VALOREM TAXES

- Tangible personal property held for sale as stock in trade or livestock may be classified for tax purposes or may be exempted from taxation. The legislature exempted all items of inventory. (Implemented by Ch. 81-308, L.O.F.)
- Ad valorem tax relief for permanent resident renters was authorized, but must be enacted by general law. (Prior to this amendment, the Legislature provided for such relief only for residents of non-profit homes for the aged and proprietary continuing care facilities.)
- State aid to local governments may be tied to relative ad valorem assessment levels. (The Florida Education Finance Program adjusts state funding by the level of assessment in each school district.)
- The Legislature was authorized to enact a tangible personal property exemption for renewable energy source devices and a real property exemption for parcels onto which such devices are installed. (An exemption was enacted by Ch. 80-163, L.O.F., but was limited to ten years for devices installed before December 31, 1990.) This constitutional provision was repealed in 2008 and replaced. (See discussion of 2008 constitutional changes.)

Prior to 1980, the exemption for property owned by governmental units did not apply to those portions of a leasehold estate which are used predominantly for a private, commercial purpose and serve no governmental, municipal, or public purpose. In 1980, the Legislature amended s. 196.199, F.S., to make such leaseholds subject to intangibles tax if rental payments are paid for the use of the property.

In 1980 the Legislature also enacted ad valorem tax reform legislation, popularly known as the “Truth in Millage” or “TRIM” law, which contained a number of major changes related to the administration of property assessments. This legislation improved the assessment review process, strengthened state supervision of assessment procedures and mandated full disclosure to taxpayers of property tax information.

In 1987, Article VII, section 6 of the Florida Constitution, was amended to permit the legislation to enact general law permitting lands which provide high recharge to Florida’s aquifers to be assessed based on character of use. Prior to 1987, classification had been authorized only for agricultural land and land used exclusively for non-commercial recreational uses. Chapter 96-204, L.O.F. (SB 10), provided for classification of high-water recharge areas.

In 1992, Florida voters approved two changes to the Florida Constitution. One change authorized cities or counties to grant ad valorem tax exemptions to owners of historic properties engaging in rehabilitation or renovation of these properties, subject to general law. Chapter 92-152, L.O.F. (HB 2439), provided the general law implementation of this amendment. The second change was initiated by a petition, and limited increases in the assessment of homestead property to three percent per year or the percent change in the Consumer Price Index, whichever is lower. After a change in ownership or other termination of the homestead the property is reassessed at just value. This amendment was popularly known as “Save Our Homes.”

The Florida Constitution was amended in 1998 to authorize, by general law, an additional homestead exemption for persons 65 or older whose household income is less than \$20,000. The exemption is by local option, and applies to the millage of the county or municipality providing the exemption. The income limitation is adjusted annually based on changes to the Consumer Price Index. The Legislature enacted Chapter 99-341, L.O.F. (HB 291), to provide for this additional homestead exemption.

Another 1998 amendment authorized a historic preservation ad valorem tax exemption for owners of historic properties. This exemption may be offered by any county or municipality for its respective tax

## AD VALOREM TAXES

levy, and the amount of this exemption and the requirements for eligible properties must be specified by general law, as well as the period of time for which this exemption may be granted.

In 2002, the Legislature increased the amount of the exemption available to certain disabled veterans from \$500 to \$5,000. In addition, the Florida Constitution was amended to allow local governments to grant a reduction in the assessed value of homestead property when there has been an increase in the assessed value of that property due to the construction or reconstruction of the property in order to provide living quarters for the natural or adoptive parents or grandparents of the owner, provided that at least one of the parents or grandparents is age 62 or older. This reduction in value is limited to the lesser of the increase in value resulting from the construction or reconstruction, or 20 percent of the value of the property as improved.

In 2005, legislation was passed to extend the \$5,000 exemption granted to disabled ex-service members to a member's un-remarried widow or widower as long as they were married to the veteran for at least five years at the time of death. In addition, special provisions were made for persons who lost their homestead property during the 2004 hurricane season to allow them to rebuild their property without losing their Save Our Homes benefit, provided the rebuilt home was no larger than 1500 square feet (if the home originally measured 1350 square feet or less) or 110 percent of the previous square footage.

Two constitutional amendments affecting ad valorem taxation were adopted in 2006. First, the maximum value of the additional homestead exemption authorized for low income seniors was raised from \$25,000 to \$50,000. Second, a discount on ad valorem taxes owed on homestead property was authorized for veterans with combat related disabilities, provided that the veteran was a Florida resident at the time he or she entered service. The percentage of the discount is equal to the veteran's percentage of disability as determined by the United States Department of Veterans Affairs.

In 2007, the Legislature enacted statutory changes requiring most county, municipal, and special district governments to reduce their 2007-08 millage rates below their rolled back rates. Exceptions were made for certain fiscally limited governments and for certain types of activities. Local governments were allowed to override the prescribed rate reductions by extraordinary votes of their governing boards or by referenda of the electorate. For fiscal year 2008-09 and beyond, the same legislation limited growth of each county, city, and independent special district property tax levy to the growth in state per capita personal income growth plus growth attributable to the value of net new construction added to the tax roll each year. Again, overrides of the limitation are allowed by certain extraordinary votes or referenda.

In January 2008, a constitutional amendment proposed by the Legislature was approved that made four major changes. First, an additional homestead exemption of up to \$25,000 for assessed value between \$50,000 and \$75,000 was granted. This exemption does not apply to school district tax bases. Second, owners of homesteads relocating within the state were given the ability to transfer up to \$500,000 of value protected from taxation due to the Save Our Homes assessment limitation. Third, an exemption was granted for the first \$25,000 of tangible personal property. Finally, a per parcel annual assessed value growth limitation of ten percent was created for non-homestead, non-agricultural property. The value protected from taxation as a result of this limitation does not apply to school district tax bases.

In November 2008, the voters approved three constitutional amendments proposed by the Taxation and Budget Reform Commission. One amendment required classified use assessments for certain defined working waterfront properties. Another amendment required an exemption for property dedicated in perpetuity for conservation purposes and provided for classified used assessments for land used for conservation purposes. The third amendment allowed an assessment limitation for renewable energy source devices and wind resistance improvements installed on real property used for residential purposes.

## AD VALOREM TAXES

In 2009, the Legislature implemented a constitutional amendment providing tax exemptions for property dedicated in perpetuity to conservation purposes. (Ch. 2009-157, L.O.F. (HB 7157)) The Legislature also changed the burden of proof necessary to challenge a property tax assessment. (Ch. 2009-121, L.O.F. (HB 521)).

In November 2010, the voters approved a constitutional amendment that requires an additional homestead exemption for military personnel deployed on active duty outside of the United States in support of military operations designated by the Legislature. The exempt amount is based upon the number of days in the previous calendar year that the person was deployed outside of the U.S. The 2010 Legislature also clarified that offering land for sale is not a sufficient reason for denying agricultural use classification if the land continues to be used primarily for bona fide agricultural purposes. (Ch. 2010-277, L.O.F. (HB 981))

In 2011, the Legislature implemented a constitutional amendment providing an additional homestead exemption for deployed military personnel. (Ch. 2011-93, L.O.F. (HB 1141)) The Legislature also made changes to the value adjustment board process, including requiring petitioners challenging an assessment in certain circumstances to make a partial payment of ad valorem taxes before those taxes become delinquent and requiring interest to be paid on taxes owed in excess of the amount paid or on a refund determined to be due, if such a payment has been made. (Ch. 2011-181, L.O.F. (HB 281))

In November 2012, voters approved constitutional amendments that: 1) extended the current homestead property tax discount for certain disabled combat veterans to include veterans who were not Florida residents at the time they entered military service; 2) authorized the Legislature to provide a homestead property tax exemption for the surviving spouses of military veterans and first responders that die in the line of duty; and 3) authorized the Legislature to allow cities and counties to grant an additional homestead exemption for homestead property of certain low income seniors who have maintained their residence on such property for 25 years or more. The Legislature also passed a bill that clarified ambiguous language, deleted obsolete statutory provisions, and eliminated unneeded reporting requirements in the property tax statutes. The bill, among other things: amended statutory requirements for scheduling value adjustment board hearings; allowed a husband and wife who abandon jointly titled homestead property to designate the percentage of the differential between just (market) value and assessed value that is portable to a new homestead property and attributable to each spouse; allowed certain disabled veterans and other disabled persons to apply for property tax exemptions before they have received required documentation from certain agencies of the federal government; provided an exemption for certain property used exclusively for educational purposes; clarified that rental of all or substantially all of a dwelling previously claimed to be a homestead constitutes abandonment of such dwelling as a homestead. (Ch. 2012-193, L.O.F. (HB 7097))

Chapter 2013-72, Laws of Florida (SB 1830) made the following significant changes:

- Deleted the exemption for property owned by a Florida-based limited partnership whose sole general partner is a nonprofit charitable corporation. This provision applied retroactively to the 2013 tax role; (See also Ch. 2013-83, L.O.F. (HB 437));
- Made revisions relating to the meaning of aquaculture and property used exclusively for educational purposes;
- Deleted the express requirement that titleholders of homesteads must live on the homestead to qualify for the homestead tax exemption;
- Provided that a change in ownership for purposes of assessing property at just value does not apply to lessees entitled to the homestead; and



## AD VALOREM TAXES

- Authorized the property appraiser to waive the application requirement after the initial application, and changed penalty provisions for improper filings for reduced assessments for living quarters of parents and grandparents.

In 2013, a number of procedural changes involving property tax assessments were also made, including changes that facilitate electronic communication in lieu of paper communication. (Chs. 2013-72, 2013-192 and 2013-109, L.O.F. (SB 1830, HB 247, and SB 556)) The requirements for a showing of adverse possession were revised. (Ch. 2013-246, L.O.F. (HB 903)) A provision was created allowing homestead property to be rented for up to 30 days per calendar year without being considered abandoned or affecting the homestead status of the property. (Ch. 2013-64., L.O.F. (SB 342)) Chapter 2013-77, L.O.F. (HB 277), implements a portion of Article VII, section 4(i) of the Florida Constitution, which allows the Legislature to prohibit the assessment of improvements to residential real property associated with installation of a renewable energy source or device.

In 2014, legislation was passed to amend the procedure for taxpayers to claim the Economic Development Ad Valorem Tax Exemption. Prior to 2014, Economic Development Ad Valorem Tax exemptions required improvements to be made or tangible personal property to be added after the adoption of an ordinance by the local government. In 2014, the Legislature amended s. 196.1995, F.S., to allow the improvements to be made after a local motion or resolution is passed but prior to adoption of an ordinance. (Ch. 2014-40, ss. 1 and 14, L.O.F. (HB 7081, and SB 730)).

The 2014 Legislature also amended the tax certificate process used for collecting unpaid tax revenue, including changes to the application to obtain a tax deed by the holder of a tax certificate, the redemption of tax certificates, sales at public auction, and the disbursement of proceeds from the sale. (Ch. 2014-211, L.O.F. (HB 797)).

In the 2015 regular session, legislation was passed to allow a taxpayer to include multiple items of substantially similar tangible personal property on a single value adjustment board petition and to pay a single filing fee (Ch. 2015-115, L.O.F. (HB 489)). In addition, the Legislature recognized in statute that leaseholds and improvements constructed and used to provide housing pursuant to the federal Military Housing Privatization Initiative on land owned by the federal government are exempt from ad valorem taxation (Ch. 2015-80, L.O.F. (HB 361)). Further, legislation was passed to require local boards of county commissioners to fund their respective property appraiser's office according to the amount determined by the DOR in its final budget determination, regardless of a pending appeal to the Administration Commission (Ch. 2015-87, L.O.F. (HB 213)).

In the first special session of 2015, the Legislature passed an omnibus tax-cut bill that, in section 1 of the bill, modified the statutory definition of "common elements" for ad valorem tax purposes to include property within the same county as a subdivision and used for at least 10 years exclusively for the benefit of lot owners within the subdivision (Ch. 2015-221, L.O.F. (HB 33-A)).

The 2016 legislature revised various procedures relating to the value adjustment board process and set a new interest rate applicable to delinquent taxes, replacing the old statutory rate of 12% with the bank prime loan rate. ((Ch. 2016-128, L.O.F. (HB 499)). Finally, the legislature clarified that for a period of up to 10 years, local option ad valorem tax exemptions may be granted in areas designated as enterprise zones as of December 30, 2015. This same legislation also specifies that replacement equipment purchased for data centers qualifies for enterprise zone exemptions and in the case of data centers, the exemption shall remain in place for a period of 20 years instead of the usual 10. (Ch. 2016-220, L.O.F. (HB 7099)).

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In August and November of 2016, voters approved amendments authorizing the legislature to enact laws creating ad valorem exemptions for solar and other renewable energy source devices and certain totally and permanently disabled first responders. November 2016 also saw voter approval of an amendment limiting just value determinations for purposes of the homestead exemption for low-income seniors. The newly enacted amendment limits determinations of just valuation to the first tax year the owner applies for the exemption. The practical effect of this amendment is to allow low income seniors to maintain their exempt status even if their home value rises above the existing \$250,000 cap. This amendment is retroactive to 2013, meaning property owners who originally qualified for the exemption, but subsequently lost it due to increased home value may once again qualify.

In 2017, the Legislature implemented two constitutional amendments. The first amendment provides ad valorem tax relief to certain totally and permanently disabled first responders by providing a 100 percent homestead tax exemption to first responders who are totally and permanently disabled as a result of injury sustained in the line of duty. The 100 percent exemption is also extended to the surviving spouse of the totally and permanently disabled first responder, provided certain conditions are met. (Ch. 2017-108, L.O.F. (HB 455)) The second amendment exempts 80 percent of the assessed value of renewable energy source devices from ad valorem taxes on nonresidential real property and tangible personal property. (Ch. 2017-118, L.O.F. (SB 90)).

In 2017, the Legislature also passed an omnibus tax bill that included several ad valorem tax provisions. For property tax purposes, the bill amends the definition of inventory to include certain construction and agricultural equipment. The bill further provides property tax relief for certain property used to provide affordable housing, clarifies the documentation required to obtain a property tax exemption for certain nonprofit homes for the aged, exempts charitable assisted living facilities from ad valorem taxation, clarifies the current exemption for property leased to a charter school and extends the deadline for charter schools to apply for an exemption for the 2016 tax year. (Ch. 2017-36, L.O.F. (HB 7109)).

During the 2018 session, the Legislature passed a bill that included property tax relief for certain property damaged by hurricanes or tropical storms, for certain citrus processing equipment idled due to citrus greening or Hurricane Irma, and for certain surviving spouses of disabled ex-servicemembers. The bill also updated the list of military operations for which deployed servicemembers may receive property tax relief, clarified the tax exempt status of entities created under the Florida Interlocal Cooperation Act of 1969, and clarified the property tax treatment of multiple parcel buildings. (Ch. 2018-118, L.O.F. (HB 7087)). In November 2018, voters approved a constitutional amendment to permanently retain the 10 percent cap on annual nonhomestead parcel assessment increases for property tax purposes, effective January 1, 2019.

In 2019, the Legislature passed a bill that provided property tax relief of certain agricultural equipment damaged by Hurricane Michael. The bill also provided additional flexibility to the Department of Revenue in conducting in-depth reviews of property assessment rolls in counties affected by natural disasters and adjusted the timing of payments to local governments in fiscally constrained counties and Monroe County to offset property tax refunds granted to homeowners due to hurricanes in 2016 and 2017. Further, the bill provided that school district voted discretionary operating levies are to apply proportionately to charter schools in the levying district and be used in a manner consistent with the purposes of the levy for any levy approved by a vote on or after July 1, 2019. Referenda after this date must include an explanation of how the funds will be distributed in accordance with the new requirements. (Ch. 2019-42, L.O.F. (HB 7123)).

In November 2020, voters approved an amendment to allow the same ad valorem tax discount on homestead property for combat-disabled veterans age 65 or older to carry over to the surviving spouse of a veteran receiving the discount if the surviving spouse holds legal or beneficial title to the homestead and

## AD VALOREM TAXES

permanently resides thereon, provided certain requirements are met. The discount would apply to the property until the surviving spouse remarries, sells, or otherwise disposes of the property. If the surviving spouse sells the property, the discount may be transferred to the surviving spouse's new residence as long as the new residence is used as the surviving spouse's permanent residence and he or she does not remarry. (Ch. 2020-179, L.O.F. (HB 879)).

During the 2020 Legislative session, the Legislature passed a bill to allow a veteran who was honorably discharged with a service-connected total and permanent disability to receive a property tax refund of the ad valorem taxes paid for a newly acquired property prorated as of the date of the transfer if the veteran receives the homestead property tax exemption on a property in a given year, acquires legal or beneficial title to another property between January 1 and November 1 of the same year, and applies for and receives an exemption for the newly acquired property in the next year. (Ch. 2020-140, L.O.F. (HB 1249)).

In 2020, the Legislature also passed a tax bill that included several ad valorem tax provisions. The bill amended the requirements for hospitals to qualify for a charitable tax exemption. Non-profit hospitals will be required to document the value of charitable services they provide and their current charity tax exemption will be limited to the value of that charity care. The bill also updated the provisions that address conflict of interest for special magistrates, and restricted information that may be mailed with the yearly TRIM notice. Further, the bill exempts from property tax vacant affordable housing units and units occupied by persons or families that met the qualifying income thresholds at the time they began their tenancy, but whose income grew through the income thresholds. The bill also exempts from property tax an affordable housing project owned by a limited liability company, which is also owned by a limited liability company, as long as the owner of the second limited liability company is a qualifying 501(c)(3) entity. (Ch. 2020-10, L.O.F. (HB 7097)).

During the 2021 Legislative session, the Legislature passed a bill amending the process by which a low-income senior, who is 65 or older, verifies his or her income for purposes of receiving an additional homestead exemption. The bill requires the taxpayer to submit a sworn statement of household income when initially claiming the additional exemption only, rather than annually, and requires the property appraiser to annually notify each taxpayer receiving the exemption of the adjusted income limitation for that year. The taxpayer must notify the property appraiser by May 1 of each year in which his or her income exceeds the income limitation. (Ch. 2021-208, L.O.F. (HB 597)).

The Legislature also passed a comprehensive tax bill that included several ad valorem tax provisions. The bill increased a property tax discount from 50 percent to a full exemption for certain multifamily projects that provide affordable housing to low-income families; clarified the application of an exemption from ad valorem taxation for portions of property used for charitable, religious, scientific, or literary purposes; allowed certain transfers of property without loss of homestead protection; provided property tax exemptions for certain property used by certain educational institutions for educational purposes; and removed the requirement for certain hospitals to report to the Department of Revenue information regarding charitable services provided. (Ch. 2021-31, L.O.F. (HB 7061)).

During the 2022 Legislative session, the Legislature passed an omnibus tax bill that included several ad valorem tax provisions. The bill provided an abatement of ad valorem taxes for those parcels impacted by the 2021 Surfside building collapse; amended the events from which fifteen years is measured to qualify for the affordable housing property tax exemption; and specified the method for assessing agricultural land and infrastructure located on that land in the production of aquaculture. The bill further updated the list of military operations for which deployed servicemembers may receive property tax relief; expanded real property eligible for homestead exemption to that which also includes portions assessed pursuant to classified use; provided for the refund of ad valorem taxes for residential improvements rendered

## AD VALOREM TAXES

uninhabitable as a result of a catastrophic event beginning in 2023; and increased the property tax exemption for widows, widowers, blind persons, and persons totally and permanently disabled from \$500 to \$5000. (Ch. 2022-97, L.O.F. (HB 7071)).

During the 2022A Special Legislative Session, the Legislature passed Senate Bill 4-A (Ch. 2022-272, L.O.F.), which created a refund of ad valorem taxes for residential improvements rendered uninhabitable due to 2022 Hurricanes Ian and Nicole.

In 2023, the Legislature passed two omnibus bills that contained significant ad valorem tax provisions. First, SB 102 (Ch. 2023-17, L.O.F.), created exemptions for (1) land owned by a non-profit entity that is leased for a minimum of 99 years for the purpose of providing affordable housing; (2) rent-restricted units within a newly constructed development that sets aside at least 70 units for affordable housing for households earning 120 percent of area median income or less; and (3) property owners who dedicate units for affordable housing for households earning 60 percent of area median income or less, subject to approval of an ordinance by the county or municipality.

Second, the Legislature passed HB 7063 (Ch. 2023-157, L.O.F.), which made small changes to exemptions related to educational properties and properties owned by veterans, first responders, and the surviving spouses of veterans or first responders; as well as amending the threshold for property appraisers to challenge value adjustment board decisions.

In 2024, the Legislature passed SB 328 (Ch. 2024-188, L.O.F.) which made changes to affordable housing provisions passed in Ch. 2023-17, L.O.F., (the “Live Local Act”) to address local issues in the Florida Keys, to clarify the role of the Florida Housing Finance Corporation and the property appraiser with regard to approving an exemption, to provide administrative improvements, and to clarify how property appraisers should determine the value of tax-exempt units. HB 7073 (Ch. 2024-158, L.O.F.) made additional changes to the Live Local Act by allowing local governments to opt out of the exemption for certain affordable housing units if the jurisdiction has sufficient affordable housing as determined by the Shimberg Center for Housing Studies.

That bill also allowed for an affordable housing tax exemption on the first 15 years of certain new low-income housing projects; expands the ad valorem tax benefits for renewable energy sources to include facilities used to capture and convert biogas to renewable natural gas; clarifies the timing of when certain construction works in progress constructed or installed by an electric utility become taxable; increases from three years to five years the period in which a homeowner must start repair of a damaged homestead in order to retain homestead, and makes several adjustments to notification procedures and taxpayers’ liability for unpaid taxes, penalties, and interest, if the liability is based on clerical mistakes or omissions of the property appraiser.

In 2025, the Legislature passed a comprehensive tax bill that included several ad valorem tax provisions. HB 7031 (Ch. 2025-208, L.O.F) updated provisions related to the value adjustment board process by requiring property appraisers to provide evidence to taxpayers at least 15 days before a VAB hearing, extending their deadline from 7 days; allowing petitioners to appear at VAB hearings remotely, unless a county with a population of less than 70,000 opts out; extending the period to file an appeal if the tax roll has been extended; and increasing the cap on filing fees that VABs are authorized to charge from \$15 to \$50.

The bill also amends three existing affordable housing provisions by expanding the exemption for land leased by a nonprofit for affordable housing for at least 99 years to include property leased from a local housing finance authority; expanding the exemption for new multifamily affordable housing subject to a land use restriction for 99 years to include property under a restriction with a local housing finance

## AD VALOREM TAXES

authority and expanding the eligibility to allow successive owners of affordable housing projects to apply for the existing exemption for new multifamily affordable housing that is based on the income of the tenants. In addition, the bill also creates two new affordable housing exemptions, one for newly constructed multifamily affordable housing of at least 70 units which is on government owned property leased for at least 30 years for the purpose of affordable housing and another for multifamily affordable housing of at least 70 units which is on state-owned property leased for at least 60 years.

The bill also provides that flight simulators are treated as owned by a governmental unit rather than leased, if the simulator reverts to the government upon expiration of a lease; extends the educational property exemption to include Gold Seal certified childcare facilities if the facility is responsible for the payment of property taxes under the terms of the lease and modifies provisions related to citrus-related agricultural properties by allowing citrus packing housing and processor equipment to be assessed at salvage value for the 2025 tangible personal property tax roll if property is not able to be used due to citrus greening and extending the agricultural classification for agricultural properties affected by citrus greening or other state or federal quarantine programs to 10 years, instead of 5.

The Legislature also passed CS/CS/CS/SB 700 (Ch. 2025-22, L.O.F) which requires lands used for agricultural education or for Future Farmers of America or 4-H activities be considered agricultural lands pursuant to s. 193.461 F.S. and subject to s. 823.14, F.S. and CS/CS/SB 180 (CH. 2025-190, L.O.F.) which increases the maximum square footage a home damaged by a calamity or misfortune may rebuild or improve while still retaining the property's assessed value as of January 1 prior to the damage.

### BASE AND RATE:

#### Base:

Taxable base is the fair market value of locally assessed real estate, tangible personal property and state assessed railroad property, less certain exclusions, differentials, exemptions, and credits.

Exclusions are specific types of property constitutionally or statutorily removed from ad valorem taxation. Major categories include: (1) transportation vehicles such as automobiles, boats, airplanes, and trailer coaches, which are constitutionally excluded from ad valorem taxes but "shall be subject to a license tax" (Fla. Const. Article VII, section 1(b)); and (2) personal property brought into the state for transshipment, which statutorily is not considered to have acquired taxable situs and therefore is not part of the tax base.

Differentials are reductions in assessments that result from a valuation standard other than fair market value. Such standards are either (1) value in current use only (e.g., agricultural value), (2) value at a specified percentage of fair market value (e.g., the Florida Constitution allows inventory and livestock to be assessed on a percentage basis, although the Legislature has exercised its option to totally exempt such property), or (3) value that results from a limitation on annual increases (e.g., increases in assessments of homestead property are limited to the lesser of 3 percent or the change in consumer price index and increases in nonhomestead property assessments are limited to a 10 percent cap).

Exemptions are deductions from assessed value, which are typically specified as a dollar amount (e.g., homestead exemption of \$25,000). However, certain exemptions are equal to the total assessed value of the property (e.g., property used exclusively for charitable purposes), or are equal to a portion of the total assessment, based on the ratio of exempt use to total use provided that the exempt use must exceed 50 percent (e.g., property used predominantly for charitable purposes).

## AD VALOREM TAXES

Credits, which may take the form of allowances, discounts, rebates, etc., are deductions from the tax liability of a particular taxpayer. Credits currently allowed in Florida are early payment and installment discounts of not more than 4 percent.

Deferrals do not reduce the overall tax liability of a taxpayer, but do allow for changes in the timing of payment. For example, under certain circumstances a taxpayer may defer a portion of the taxes due on homestead property for the remaining lifetime of the property owner and his or her spouse or until sale of the property.

### Rate:

Millage rates vary among local governments, but are subject to both constitutional and statutory limitations. All counties, cities, and school districts are subject to a constitutional limitation of ten mills for operating purposes. Dependent special district millage rates are included in the limit applicable to the authority to which they are dependent. Independent special district millage rates are limited by the law establishing such districts. Mills above the ten mill limitation may be authorized by local voters, by referendum, to be levied for debt service without a time restriction and for other purposes for a period of not longer than two years. Counties providing municipal services may also levy up to an additional ten mills above the ten mill county limitation within those areas receiving municipal-type services. In addition, school districts are subject to certain statutory limits less than ten mills to be eligible to participate in the state K-12 funding program (FEFP). For fiscal years 1982-83 through 1984-85 county and municipal millage rates, including dependent districts, were subject to certain statutory limitations restricting the rate of growth in revenues. (See s. 200.085, F.S. (1985)) Beginning in fiscal year 2007-08 and thereafter, county, city and special district tax rates were made subject to certain statutory limitations restricting the rate of growth in revenues. (See ss. 200.065(5) and 200.185, F.S.)

Average Millage Rates\* (1 mill = .1 cent or \$.001; also expressed as \$1 per \$1,000 or .1%)

Fiscal Year	Total Counties	School Boards	Municipalities	Total Millage Levied*
2025-26	6.68	5.99	4.93	16.47
2024-25	6.65	5.90	5.00	16.33
2023-24	6.70	5.95	5.02	16.45
2022-23	6.75	5.85	5.00	16.43
2021-22	6.87	6.27	4.94	17.01
2020-21	6.87	6.40	5.12	17.16
2019-20	6.90	6.52	5.07	17.33
2018-19	6.88	6.46	5.08	17.27
2017-18	6.87	6.64	5.03	17.45
2016-17	6.88	6.96	4.99	17.79
2015-16	6.93	7.29	5.00	18.19
2014-15	6.95	7.43	5.01	18.37
2013-14	6.91	7.52	4.97	18.43
2012-13	6.77	7.60	4.97	18.37
2011-12	6.77	7.70	4.91	18.43

## AD VALOREM TAXES

Fiscal Year	Total Counties	School Boards	Municipalities	Total Millage Levied*
2010-11	6.83	7.73	4.87	18.62
2009-10	6.54	7.53	4.70	18.04
2008-09	5.80	7.25	4.40	16.82
2007-08	6.18	7.30	4.30	17.16
2006-07	7.01	7.50	4.76	18.58

\* Includes both operating and debt service levies. Rates shown are weighted averages based on the sum of ad valorem taxes for each type of local government relative to their respective statewide taxable base. The school taxable base is used for both counties and school districts to allow comparability of rates. The Total Millage column includes special district levies not shown separately and is calculated to equal the millage rate which would raise the total taxes levied by all taxing authorities if applied against the statewide tax roll.

### DISPOSITION:

To the Local Government levying the tax.

### VALUE OF RATE CHANGE, EXEMPTIONS, DIFFERENTIALS, DISCOUNTS AND ALLOWANCES:

#### RATE CHANGE

Value of 1 mill levy on 2025-26 tax base (est.)

School Tax Base	\$3,827.7 million
County Tax Base	\$3,477.7 million

#### VALUE OF EXEMPTIONS, DIFFERENTIALS, ETC.

##### Exclusions

Transportation vehicles	Indeterminate	Indeterminate
Property held for transshipment	Indeterminate	Indeterminate

##### Differentials

Homestead assessment limitation (Save Our Homes) (s. 193.155) (Note 1)	868,223.9	9,095.3
Agricultural land (s. 193.461(6)(a))	8,880.6	1,463.7
Conservation easement, environmentally endangered lands and private park and recreational land (s. 193.501)	88.5	1.5
Historically significant (s. 193.505)	0.0	0.0
Pollution control devices (s. 193.621(1))	6,490.1	106.9
Building renovations for the physically handicapped (s. 193.623)	Indeterminate	Indeterminate
Annual agricultural crops*, non-bearing fruit trees and nursery stock (not assessed) (s. 193.451(3))	Indeterminate	Indeterminate
Nonhomestead residential assessment limitation (s. 193.1554)	120,461.0	1,261.9
Nonresidential assessment limitation (s. 193.1555)	112,407.7	1,851.1
Living Quarters for Parents or Grandparents (s. 193.703)	51.0	0.8

## AD VALOREM TAXES

Working Waterfront	407.9	6.7
Renewable Energy Source Devices (Real Property) (s. 193.624)	Indeterminate	Indeterminate

### Exemptions

\$25,000 Homestead Exemption (s. 196.031(1)(a))	135,274.6	2,227.7
\$25,000 Homestead Exemption above \$50,000 in value (s. 196.031(1)(b)) (Note 1)	127,358.8	1,334.2
Deployed Military Personnel (s. 196.173)	109.9	1.8
Permanently and totally disabled veterans (s. 196.081)	38,303.3	630.8
Disabled veterans confined to wheelchairs (s. 196.091)	29.4	0.5
Totally and permanently disabled persons (s. 196.101) (Note 2)	1,023.5	16.9
\$25,000 Tangible Personal Property (s. 196.183)	8,119.4	133.7
Blind (s. 196.202)	18.4	0.3
\$5000 Totally and permanently disabled persons (s. 196.202) (Note 2)	591.2	9.7
Widows' and Widowers exemption (s. 196.202)	2,300.0	37.9
Property used by hospitals, nursing homes and homes for special services (s. 196.197)	22,764.0	374.9
Property used by nonprofit homes for the aged (s. 196.1975)	3,281.1	54.0
Educational property (s. 196.198)	25,527.5	420.4
Labor organizations (s. 196.1985) (Note 3)	79.1	1.3
Community centers (s. 196.1986)	316.6	5.2
Institutional exempt property (Note 4)	126,499.1	2,083.2

### Totally exempt & immune

Government Property (s. 196.199) (Note 5)		
Federal property	34,247.0	564.0
State property	41,211.0	678.7
Local government property	161,567.8	2,660.7
Government leaseholds	2,581.8	42.5
Local Option Economic Development (s. 196.1995) (Note 6)	2,625.1	21.1
Not-for-profit sewer and water company (s. 196.2001)	239.0	3.9
\$5,000 Disabled, Ex-Servicemen Exemption (s. 196.24)	1,229.6	20.2
Historic property (s. 196.1997) (Note 6)	340.1	5.6
Additional Homestead for 65 and older – up to \$50,000 (s. 196.075(2)(a)) (Note 8)	8,403.3	66.4
Additional Homestead for 65 and older – assessed value (s. 196.075(2)(b)) (Note 8)	976.9	7.6
Conservation lands (s. 196.26)	522.5	8.6
First Responders (s. 196.102)	255.7	4.2
Renewable Energy Source Devices (TPP) (s. 196.182)	4,040.3	66.5

### VALUE OF DISCOUNTS AND ALLOWANCES

Discounts for early payments (s. 197.162)	1,365.8
Veterans discount (s. 196.082)	2,550.1

# Revenue impacts are based on an aggregate average millage rate of 16.47 unless otherwise indicated.

\* Includes timber. Current administrative practice has resulted in the non-assessment of timber in virtually all counties, although timber is not an "annual agricultural crop," per the statutory requirement for exemption.



## AD VALOREM TAXES

### Notes

1. The revenue impact is calculated using total statewide millage minus the school millage.
2. Available to: quadriplegics and the following, if total household income does not exceed an annually adjusted income limit: (a) paraplegics; (b) hemiplegics; (c) other totally and permanently disabled persons confined to a wheelchair; and (d) other totally and permanently disabled persons who are blind. An inconsistency in the statutes has resulted in the administrative determination that blind persons who are not totally and permanently disabled may also receive the total exemption if they meet the income test.
3. The portions of labor union property used for educational purposes may be separately assessed, thus avoiding the predominant use requirement.
4. Applies to property used exclusively or predominantly (greater than 50 percent) for the following purposes: (a) charitable, (b) literary, (c) religious, (d) scientific, and (e) educational. Exemption is total if use for stated purposes is exclusive. For predominant use, exemption is proportional to use for stated purposes. Special statutory criteria exist for determining the eligibility of hospitals, nursing homes, homes for special services, homes for the aged, educational institutions, community centers, and labor union property.
5. U.S. government, state, county and school district property is immune from taxation. Other local government property is exempt if used exclusively by the government for municipal or public purposes. Government-owned property used by non-governmental lessees is exempt only when the lessee serves or performs a governmental or public purpose or function. The leasehold estate (i.e., the right or interest in the property created by virtue of the lease contract) is by law subject only to intangibles taxation.
6. Eligibility for exemption is determined separately for county taxes and municipal taxes. In no event does the exemption apply to school or independent district taxes. The revenue impact is calculated by assuming 50 percent of the taxable value reduction is also in cities, and applying county and city average millages to the respective amounts.
7. Computed using average county millage rate only.
8. Total value loss is for both counties and municipalities.

### OTHER STATES:

All states and the District of Columbia impose local government property taxes.

## DISCRETIONARY SURTAX ON DOCUMENTS

FLORIDA STATUTES: Sections 125.0167, 201.031, F.S.

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Each county, as defined by s. 125.011(1), F.S., (currently only Miami-Dade County), may levy a discretionary surtax on documents for the purpose of establishing and financing a Housing Assistance Loan Trust Fund. The surtax is \$0.45 per \$100 or fractional part thereof, and applies only to documents taxable under s. 201.02, F.S., which are “deeds, instruments, or writings whereby any lands, tenements, or other real property, or any interest therein, shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or any other person by his or her direction...” The surtax is not imposed on any deed conveying a single-family residence, identified as a detached dwelling, a condominium unit, or a unit held through stock ownership or membership representing a proprietary interest in a corporation owning a fee or a lease-hold initially in excess of 98 years.

### REVENUE:

Fiscal Year	Collections	Annual Change %
2026-27*	56,705,740	3.80%
2025-26*	54,629,807	1.50%
2024-25	53,822,470	22.82%
2023-24	43,822,166	-33.37%
2022-23	65,766,303	-28.53%
2021-22	92,021,573	137.49%
2020-21	38,747,973	2.90%

\* Estimate

### HISTORY:

In 1983, the Legislature enacted Chapter 83-220, L.O.F. (SB 56), creating s. 125.0167, F.S., authorizing the governing body of Miami-Dade County to levy a discretionary surtax on documents for the purpose of establishing and financing a Home Ownership Assistance Loan Trust Fund. Revenues in the fund assisted low and moderate income families in purchasing a home or an apartment. Not less than 1/2 of the funds were to be used to assist low-income families, defined as families whose income did not exceed 80 percent of the median income for the area. The remaining funds could be used to assist families whose income was in excess of 80 percent, but not more than 140 percent, of the median income for the area. The surtax could not exceed \$0.45 per \$100 or fractional part thereof, and could apply only to documents taxable under s. 201.02, F.S., except that no surtax could be imposed on a deed conveying a single-family residence, identified as a detached dwelling, a condominium unit, or a unit held through stock ownership or membership representing a proprietary interest in a corporation owning a fee or a leasehold initially in excess of 98 years.

The governing body was directed to adopt an ordinance to levy the discretionary surtax and create the trust fund. The ordinance was required to establish the policies and procedures of the assistance program. The county was directed to deposit revenues from the surtax into the trust fund to be used only for the purchase of a home or an apartment, or the rehabilitation of an existing home or apartment. The surtax could not be used for rent subsidies or grants.

Section 201.031, F.S., also enacted by Chapter 83-220, L.O.F. (SB 56), established the discretionary surtax and required the county levying the surtax to submit a financial report (under s. 218.32, F.S.)

## DISCRETIONARY SURTAX ON DOCUMENTS

showing the revenues and expenses of the trust fund. The Department of Revenue was directed to distribute all surtaxes collected to that county's governing authority. This authority granted to Miami-Dade county was set to expire on October 1, 1993, or ten years after the effective date of the act.

In 1984, Chapter 84-270, L.O.F. (SB 336), amended Chapter 83-220, L.O.F. (SB 56), changing the name of the Home Ownership Assistance Loan Trust Fund to the Housing Assistance Loan Trust Fund and increased the authorized uses of funds. With this amendment, the funds could be used for financing of construction, rehabilitation, or purchase of housing for low and moderate income families. Funds could also be used for first or second mortgages, and buying property to form housing cooperatives. Special consideration was to be given to neighborhood economic development programs of Community Development Corporations. Not more than 1/2 of the revenues collected each year could be used to finance new construction. This act also removed the statutory references to the program.

In 1989, the Legislature enacted Chapter 89-252, L. O. F. (SB 38), to extend the repeal date from October 1, 1993, to October 1, 2011.

In 1992, the Legislature enacted Chapter 92-317, L.O.F. (SB 94-H), to provide that a portion of the discretionary surtax revenues deposited into the Housing Assistance Loan Trust Fund could be deposited into the Home Investment Trust Fund of the county as defined by and created under the requirements of federal law. These set-aside funds are to be used to finance the construction, rehabilitation, or purchase of housing for low-income and moderate-income families and to fund any local matching contributions required under federal law. In 1993, ss. 125.0167 and 201.031, F.S., were restored to the Florida Statutes.

In 2009, the Legislature enacted Chapter 2009-131, L.O.F. (SBs 2430 and 1960), to extend the sunset of the program until October 1, 2031. It also amended s. 125.0167, F.S., limiting the amount of surtax revenue that may be used for administrative costs to 10 percent of revenues collected, and specifying a minimum amount of surtax revenues to be used for providing low income and moderate income housing. It authorized the creation of a housing assistance voucher program, under which vouchers may be used for down payment assistance for the purchase of single-family residences by low-income or moderate-income persons. Also, the law amended s. 201.031, F.S., requiring Miami-Dade County to adopt a housing plan every three years, to have adopted an affordable housing element of its comprehensive plan, and to have a report prepared for the county's governing body that explains how the housing assistance program is being implemented.

In 2022, the Legislature enacted Chapter 2022-97, L.O.F., (HB 7071), prohibiting any county from imposing any requirement as a condition to receive financial assistance on a borrower other than requiring proof that the borrower's income does not exceed 140 percent of the area median income. In addition to the income eligibility requirement, borrowers may only be subject to loan qualifications of lenders licensed to provide mortgage financing as to the amount of the loan. A county may not create requirements that restrict participation by eligible borrowers.

### BASE AND RATE:

Miami-Dade County levies a surtax on deeds and documents relating to realty at the rate of 45 cents for each \$100 or fractional part thereof, except for documents relating to single family residences.

### DISPOSITION:

The department returns proceeds, less costs of administration, to the county's governing body. The funds must be deposited in the county's Housing Assistance Loan Trust Fund, and no less than 35 percent shall be used to provide home ownership assistance for low-income and moderate-income families, and no less

## DISCRETIONARY SURTAX ON DOCUMENTS

than 35 percent shall be used for construction, rehabilitation, and purchase of rental housing units. The remaining amount may be allocated to provide for home ownership assistance or rental housing units.

### OTHER STATES:

California, Colorado, Connecticut, Delaware, Illinois, Maryland, Massachusetts, Michigan, Nevada, New York, North Carolina, Ohio, Oregon, Pennsylvania, Virginia, Washington, and West Virginia authorize some or all local governments to levy taxes on transfers of real estate or other assets.

	2026-27 (millions)
VALUE OF RATE CHANGE:	
Value of a 10 cent/\$100 levy on:	
1) All deeds	\$44.8
2) Deeds other than for documents related to single family dwellings	\$12.6
VALUE OF EXEMPTIONS:	
Exemption for documents related to single family dwellings	\$144.8
VALUE OF REFUNDS AND ALLOWANCES:	
Agents' commission at .5% of taxes collected	\$0.28

## LOCAL COMMUNICATIONS SERVICES TAX

FLORIDA STATUTES: Chapter 202

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The governing authority of each county and municipality may, by ordinance, levy a local communications services tax on retail sales of communications services that originate or terminate in Florida and are billed to an address in the city or county imposing the tax. This tax replaces the public service tax on telecommunication services and franchise fees imposed on communications services providers for use of public rights-of-way plus the discretionary sales surtax previously imposed on telecommunications services. Communications services include all forms of telecommunication currently taxed by the gross receipts tax, except direct-to-home satellite services. The law also specifically applies the tax to communications services provided through any “other medium or method now in existence or hereafter devised.”

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	745,654,350	2.09%
2025-26*	730,421,410	2.71%
2024-25	711,182,309	4.10%
2023-24	683,191,858	1.63%
2022-23	672,254,996	5.71%
2021-22	635,920,459	1.42%
2020-21	627,028,642	-1.49%

\* Estimate

### HISTORY:

Prior to October 1, 2001, local and in-state telecommunication services were subject to the municipal utility tax under s. 166.231, F.S. This law allowed municipalities and charter counties to impose a tax of up to 10 percent or 7 percent, depending upon whether the tax was imposed on local service only or on local service plus in-state long-distance service. Cities and charter counties were also authorized to charge telecommunication service providers franchise fees for the use of public rights of way and all local governments could impose franchise fees on cable providers. Chapter 2000-260, L.O.F. (SB 1338), created the Communications Services Tax Simplification Law which provides for local communications services taxes to be administered by the Department of Revenue. The communications services tax rates in cities and counties were to provide as much revenue as had been generated by the municipal utilities tax and franchise fees, which were replaced by the new tax. The local communications services tax applies to services that had not been subject to the municipal utility tax, including cable television and all telecommunication services. Satellite television service is not subject to local communications services tax. Chapter 2001-140, L.O.F. (SB 1878), established revenue-neutral conversion tax rates for the statewide and local communication services taxes, and maximum allowable tax rates for each local government. These maximum allowable rates included any capacity which had existed but was not exercised under the taxes and fees which were replaced by the local communications services tax.

Chapter 2005-187, L.O.F. (SB 2070), repealed the tax on substitute communications systems and provided that the Department of Revenue will not assess this tax back to October 1, 2001, when the communications services tax was implemented. The bill created a task force of experts in the areas of telecommunications policy, taxation, law, or technology to study the implications of emerging

## LOCAL COMMUNICATIONS SERVICES TAX

technologies on Florida's communication service tax. This task force was dissolved by Chapter 2006-311, L.O.F. (HB 7109).

Prior to July 1, 2012, dealers of communications services were held harmless from any liability, including tax, interest, and penalties associated with the incorrect assignment of taxing jurisdictions if they were exercising due diligence in applying specific methods, provided under s. 202.22, F.S., for determining the local taxing jurisdiction in which a service address is located. Chapter 2012-70, L.O.F. (HB 809), provides that even if the dealer of communications services is not using one of the methods from s. 202.22, F.S., they are not liable for any tax, interest, or penalty unless the department is able to determine a net aggregate underpayment for any tax period or periods in question. In order to determine if there has been a net aggregate underpayment the department shall take into account all underpayments and overpayments for the appropriate period or periods. The change to this process that was made by Chapter 2012-70, L.O.F. (HB 809), is both remedial and retroactive without creating a right to a refund or credit of any tax paid before the general effective date.

Chapter 2023-157, L.O.F. (HB 7063) states that the local communications services tax may not be increased before January 1, 2026. This freeze extends to the discretionary sales conversion rate. Chapter 2025-208, L.O.F. (HB 7031) later extended the freeze through January 1, 2031.

### BASE AND RATE:

The local communications services tax is imposed on retail sales of communications services, including cable services, which originate or terminate in Florida and are billed to an address in the city or county imposing the tax. Private communications services provided within the county or municipality are also subject to the tax. Direct-to-home satellite service is not subject to local communications services tax. Local tax rates vary for each county and city. The maximum rate for municipalities or charter counties is 5.1 percent or 4.98 percent, if the municipality or charter county levies permit fees. The maximum rate for non-charter counties is 1.6 percent. Add-ons of .12 percent or .24 percent are authorized under s. 337.401, F.S., and temporary emergency rates may exceed the statutory limits.

### DISPOSITION:

The local communications services tax is remitted by dealers to the Department of Revenue, which distributes monthly the appropriate amount to each municipality, county or school board, after deducting the department's costs of administration not to exceed 1 percent of the total revenue generated for all municipalities, counties, and school boards.

### OTHER STATES:

Taxes imposed vary considerably from state to state.

**LOCAL DISCRETIONARY SALES SURTAXES**





## LOCAL DISCRETIONARY SALES SURTAXES

FLORIDA STATUTES: Sections 212.054 and 212.055

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Nine different types of local discretionary sales surtaxes (also referred to as local option sales taxes) are currently authorized in law and represent potential revenue sources for county and municipal governments and school districts. The local discretionary sales surtaxes apply to all transactions subject to the state tax imposed on sales, use, services, rentals, admissions, and other authorized transactions authorized pursuant to ch. 212, F.S., and communications services as defined for purposes of ch. 202, F.S.

Surtax Name	Year Enacted	Statutory Authority
Charter County and Regional Transportation System Surtax	1976	s. 212.055(1), F.S.
Local Government Infrastructure Surtax	1987	s. 212.055(2), F.S.
Small County Surtax	1992	s. 212.055(3), F.S.
Indigent Care and Trauma Center Surtax	1991	s. 212.055(4), F.S.
County Public Hospital Surtax	1991	s. 212.055(5), F.S.
School Capital Outlay Surtax	1995	s. 212.055(6), F.S.
Voter-Approved Indigent Care Surtax	2000	s. 212.055(7), F.S.
Emergency Fire Rescue Services and Facilities Surtax	2009	s. 212.055(8), F.S.
Pension Liability Surtax	2016	s. 212.055(9), F.S.

The local discretionary sales surtax rate varies from county to county, depending on the particular levies authorized in that jurisdiction. Discretionary sales surtax must be collected when the transaction occurs in, or delivery is into, a county that imposes the surtax, and the sale is subject to state's sales and use tax. The following table summarizes how the surtax is collected.

<b>If a selling dealer located in any Florida county</b>	<b>with a discretionary surtax</b>	<b>sells and delivers</b>	<b>into the county where the selling vendor is located</b>	<b>surtax is collected at the county rate where the delivery is made</b>
If a selling dealer located in any Florida county	with or without a discretionary surtax	sells and delivers	into counties with different discretionary surtax rates	surtax is collected at the county rate where the delivery is made
<b>If a selling dealer located in any Florida county</b>	<b>with or without a discretionary surtax</b>	<b>sells and delivers</b>	<b>into counties without a discretionary surtax</b>	<b>surtax is not collected</b>
If an out-of-state selling dealer		sells and delivers	into a Florida county with a discretionary surtax	surtax is collected at the county rate where delivery is made
<b>If an out-of-state selling dealer</b>		<b>sells and delivers</b>	<b>into a Florida county without a discretionary surtax</b>	<b>surtax is not collected</b>

Discretionary sales surtax applies to the first \$5,000 of any single taxable item, when sold to the same purchaser at the same time. Single items include items normally sold in bulk and items assembled to

## LOCAL DISCRETIONARY SALES SURTAXES

comprise a working unit. The \$5,000 limitation does not apply to the rental of commercial real property, transient rentals, or services. With regard to the sale of motor vehicles, mobile homes, boats, or aircraft, the surtax applies only to the first \$5,000 of the total sales price. On the sale of a motor vehicle or mobile home, the tax rate is determined by the county where the purchaser resides as shown on the title or registration. On the sale of a boat or aircraft, the tax rate is determined by the county where the boat or aircraft is delivered.

The local discretionary sales surtax applies to communications services as broadly defined in ch. 202, F.S. Because the new communications services tax base is much larger than the base under prior law, discretionary sales surtax conversion rates were specified in law. For any county or school board that levies the surtax, the tax rate on communications services as authorized by s. 202.19(5), F.S., is expressed in law.

### REVENUE:

Fiscal Year	Total Collections**	Annual Change %
2025-26*	5,887,359,373	2.04%
2025-26*	5,769,750,069	-0.21%
2024-25	5,782,173,686	2.37%
2023-24	5,648,372,575	0.32%
2022-23	5,630,574,457	7.25%
2021-22	5,250,059,865	23.50%
2020-21	4,251,229,433	8.77%

\* Estimate

\*\* Includes collections where the taxing county cannot be identified when reported. These collections are not reflected in individual surtax collection totals.

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's (EDR) Local Government Data webpage under the heading of Local Option Tax Receipts via the following link:

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

### HISTORY:

Chapter 76-284, L.O.F., created s. 212.055, F.S., to authorize counties, which adopted a charter before June 1, 1976, to levy an additional 1 percent tax on all transactions that are taxed at 4 percent. It limited the surtax to the first \$1,000 of any one transaction. The county was required to have a majority vote of the county's electorate in order to levy the surtax. The Department of Revenue was required to administer and collect the tax and distribute the revenues on a regular and periodic basis.

Chapter 82-154, L.O.F., changed the transactions eligible for the surtax from all transactions taxed at 4 percent to all transactions taxed at 3 or 5 percent under s. 212.055, F.S. Chapter 83-3, L.O.F., disallowed the surtax on motor fuel and special fuel as defined in s. 212.02(21) and (22), F.S., to s. 212.055, F.S. Chapter 85-342, L.O.F., transferred s. 125.0165, F.S., into s. 212.055, F.S. It eliminated references to the 1 percent surtax on all transactions taxed at 3 or 5 percent as well as the references to the \$1,000 limit, and the restrictions for motor fuels or special fuels. The references for the Department to administer and collect the tax and counties notifying the Department of Revenue after the approval of an ordinance were eliminated. The rate was 20 percent of any amount of tax imposed and paid to the state. In addition, Chapter 85-342, L.O.F., created s. 212.054, F.S., to specify the eligible counties and the tax rate, if levied, to that named in s. 212.055, F.S. The surtax was the rate times the amount of taxes imposed and rounded

## LOCAL DISCRETIONARY SALES SURTAXES

to the nearest penny. Sales amount above \$1,000 and long distance telephone service were excluded from the surtax. Utility, telecommunications, and wired television billings after the effective date included the full surtax; billings after the last day that the surtax was in effect were not subject to the surtax. Contracts signed prior to the effective date were subject to the surtax if the work was not completed by the effective date. Contractors were to pay the surtax, but could apply for a refund. It was a second degree misdemeanor to fraudulently attempt to obtain a refund. A transaction was considered as occurring in the county imposing the surtax if the dealer was located in the county and the sale included tangible property except in the case of utilities, telecommunications, and wired television, in which case, it was the county where it was used. A charged event occurring in the county was also subject to the surtax. Imported vehicles requiring licensing or titling were subject to the surtax unless used for more than 6 months outside the county. Real property rentals and transient rental properties inside the county were also subject to the surtax. The Department of Revenue was to administer, collect, and enforce the tax and was authorized to deduct up to 3 percent for administrative costs. Discretionary sales surtaxes were only to take effect on January 1. The county was required to notify the Department within 10 days after ordinance adoption, and the notice was required to include the time period the surtax would be in effect.

Chapter 86-152, L.O.F., made two changes. First, if a dealer owing use tax on purchases or leases was located in a county subject to the surtax, then the sale or lease was considered as occurring in the county and was subject to the surtax. Second, the dealer was not required to separately state the surtax on the receipt. Chapter 87-6, L.O.F., included services, except those otherwise exempted, as a transaction subject to the surtax and increased the penalty of fraudulently attempting to obtain a refund from a second degree misdemeanor to a third degree felony. Chapter 87-548, L.O.F., changed the base from taxes collected to taxable sales. This base change occurred in tandem with the rate change in s. 212.055, F.S., from 20 percent to 1 percent. Also, the surtax became applicable to sales up to \$5,000; the prior limit was \$1,000. For vehicle sales, the county of the registration of the purchaser must be of the county with the surtax in order for the transaction to be eligible for the surtax. Chapter 88-119, L.O.F., required that a delivery had to be made to a location in a surtax county in order for the transaction to be eligible for the surtax. It also required that if tangible personal property was brought back into a surtax county, the customer was responsible to pay the surtax. Additionally, it required a dealer outside of a surtax county to collect the surtax on deliveries of tangible personal property from a Florida manufacturer or wholesaler into a surtax county. Chapter 89-356, L.O.F., restated the provision requiring a dealer outside of a surtax county to collect the surtax on deliveries of tangible personal property from a Florida manufacturer or wholesaler into a surtax county. The new version required the following. If a dealer located outside a surtax county delivered tangible personal property to a customer in a surtax county in which the manufacturer or wholesaler was located, the dealer was required to collect and remit the surtax.

Chapter 90-132, L.O.F. (HB 1299), revised references of “wired television” to “television system program” and exempted certain mail-order transactions from these surtaxes. Chapter 90-203, L.O.F. (SB 862), changed the name of the Surtax Trust Fund to the Surtax Clearing Trust Fund and stipulated that the Department distribute monies in the trust fund each month. Section 91-81, L.O.F. (SB 186), reenacted s. 212.054(2)(a), F.S., and excluded services from surtax levy. Chapter 91-112, L.O.F. (HB 2523), specified that two or more items sold simultaneously as a unit or in bulk would count as a single unit with respect to the \$5,000 limitation. Additionally, it subjected items imported into the county after six months that are provided for in s. 212.06(8)(b), F.S., and coin-operated amusement or vending machines located in the county to the surtax. It also required that any change in the distribution formula must take effect on the first day of any month beginning at least 60 days after written notification of the change had been sent to the Department. Chapter 92-319, L.O.F. (SB 26-H), revised the sales tax on boats and airplanes and expanded the sales tax base to include previously untaxed items. Chapter 92-320, L.O.F. (SB 68-H), required counties that locally administer local option taxes to distribute an annual report enumerating the tax proceeds and how the proceeds were expended. Chapter 93-222, L.O.F. (HB 729), provided for the application of surtaxes to services. It stated that the surtax was not levied if the property or service was

## LOCAL DISCRETIONARY SALES SURTAXES

delivered within a non-surtax county. Unless there was reasonable documentation to the contrary, it was assumed that delivery was made to the location of the place of business. The \$5,000 limitation was not applicable to services other than rentals. The counties with surtax authorizations were required to report revenues to the Department in a timely manner.

Chapter 96-325, L.O.F. (SB 1094), revised provisions specifying when a transaction regarding the sale of tangible personal property by a florist is deemed to occur in a surtax county. Chapter 96-397, L.O.F. (SB 584), removed language concerning the distribution of surtax collections through June 30, 1994. Chapter 97-99, L.O.F. (SB 432), replaced reference of “transactions by this part” with “transactions by this chapter” in s. 212.054(2)(a), F.S. Chapter 98-141, L.O.F. (SB 1690), added provisions for partial exemptions from the surtax to vessels, railroad, and motor vehicle common carriers. Chapter 98-342, L.O.F. (HB 4413), provided for a number of administrative changes including specifying that any discretionary sales surtax rate increase or decrease could only take effect on January 1<sup>st</sup> and any termination only on December 31<sup>st</sup>.

Chapter 2001-140, L.O.F. (SB 1878), implemented Chapter 2000-260, L.O.F. (SB 1338), establishing the Communications Services Tax Simplification Law, which repealed the levy of a discretionary sales surtax on various communications services and replaced it with a local option component of the new communications services tax.

Chapter 2010-102, L.O.F. (SB 1412), deleted the requirement that the Department submit a written report that details the costs of administering the discretionary sales surtaxes to the Senate President, House Speaker, and the governing authority of each county levying a surtax. Chapter 2018-118, L.O.F. (CS/HB 7087), amended s. 212.055, F.S., to require that for any referendum to adopt a local discretionary sales surtax held on or after the legislation’s effective date, an independent certified public accountant, licensed pursuant to Chapter 473, F.S., must conduct a performance audit of the program associated with the surtax adoption proposed by the county or school district. This performance audit must be completed, and the findings made available to the public, at least 60 days before the referendum is held. Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature’s Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2021-2, L.O.F. (CS/CS/SB 50), required marketplace providers and persons located outside of this state to remit discretionary sales surtax when delivering tangible personal property to a county imposing a surtax. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the

## LOCAL DISCRETIONARY SALES SURTAXES

ballot only once within the 48-month period. Chapter 2024-158, L.O.F. (CS/HB 7073), amended s. 212.054(1)(b)1., F.S., to clarify that a boat and a corresponding boat trailer sold to the same purchaser at the same time and with both items located on the same invoice, are considered a single item for discretionary sales surtax purposes. Additionally, it amended s. 212.054(3)(a), F.S., to clarify that the sale of the boat and boat trailer is deemed to occur in the county where the purchaser resides as shown on the title or registration documents. Furthermore, it added s. 212.054(9), F.S., to specify how discretionary sales surtax moneys are disposed of when there is a final adjudication finding that the discretionary sales surtax was enacted, levied, collected, or is otherwise contrary to the U.S. Constitution or State Constitution, until such provisions expire on June 30, 2030. Chapter 2025-208, L.O.F. (HB 7031), removes a provision in s. 212.054(3), F.S., to reflect the repeal of the business rent tax. Additionally, the legislation provides express authority for a levying local government (the Board of County Commissioners or the School Board) of any discretionary sales surtax, which does not have an expiration date, to reduce or repeal that surtax with a two-thirds vote of the board, beginning four years after a surtax is levied. The reduced rate can be any lower rate otherwise allowable under the applicable statutory provision. A reduced or repealed rate is effective on the January 1<sup>st</sup> following the board's vote, or on any subsequent January 1<sup>st</sup> as provided by the board.

### ADMINISTRATIVE PROCEDURES:

Legislation enacted in 2018 required the completion of a performance audit prior to any referendum to adopt a local discretionary sales surtax held on or after March 23, 2018. Legislation enacted in 2019 amended that requirement. For any surtax referendum held on or after January 1, 2020, an independent certified public accountant (CPA), licensed pursuant to Chapter 473, F.S., must conduct a performance audit of the program associated with the proposed surtax. At least 180 days prior to the referendum date, the county or school district must provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final resolution or ordinance. Within 60 days after receiving the final resolution or ordinance, OPPAGA must procure the CPA and may use carryforward funds to pay for the CPA's services. The performance audit must be completed at least 60 days before the referendum is held. The audit report, including any findings, recommendations, or other accompanying documents, must be made available on the county or school district's official website and kept on the website for two years from the date posted. A county or school district's failure to comply with the requirements of providing OPPAGA with a copy of the final resolution or ordinance at least 180 days prior to the referendum date, or publishing the performance audit results on its website at least 60 days before the referendum date, will render the referendum void.

The term *performance audit* means an examination of the program conducted according to applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies. At a minimum, a performance audit must address the following issues.

1. The economy, efficiency, or effectiveness of the program.
2. The program's structure or design to accomplish its goals and objectives.
3. Alternative methods of providing program services or products.
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.
5. The accuracy or adequacy of public documents, reports, and requests prepared by the county or school district that relate to the program.
6. The program's compliance with appropriate policies, rules, and laws.

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

## LOCAL DISCRETIONARY SALES SURTAXES

The administrative procedures relevant to local discretionary sales surtaxes are outlined in s. 212.054, F.S. The Department of Revenue (DOR) administers, collects, and enforces the surtaxes. The governing body of any county levying a local discretionary sales surtax enacts an ordinance levying the surtax in accordance with the procedures described in s. 125.66(2), F.S. Current law requires that any initial levy or rate change can only take effect on January 1<sup>st</sup>, and any levy termination can only take effect on December 31<sup>st</sup>.

The proceeds of each county's discretionary sales surtax collections are transferred to the Discretionary Sales Surtax Clearing Trust Fund [hereinafter, the Trust Fund]. A separate account in the Trust Fund is established for each county imposing the surtax. The DOR is authorized to take an administrative cost deduction not to exceed 3 percent of the total surtax revenue generated by all levying counties. The administrative cost deduction is used only for those costs solely and directly attributable to the surtax, and the costs are prorated among those counties levying the surtax on the basis of the amount collected for a particular county to the total amount collected for all counties.

### REPORTING REQUIREMENTS:

The governing body of any county or school board that levies the surtax shall notify the Department within 10 days after the final adoption by ordinance or referendum of an imposition, termination, or rate change. The Department must receive this notice no later than November 16th prior to the January 1st effective date. The notice must specify the rate as well as the time period during which the surtax will be in effect and must include a copy of the ordinance and such other information required by departmental rule. Failure to timely provide such notification to the Department shall result in the delay of the effective date for a period of one year.

Additionally, the governing body of any county or school board proposing to levy the surtax shall notify the Department by October 1st if the referendum or consideration of the ordinance that would result in the imposition, termination, or rate change of a surtax is scheduled to occur on or after October 1st of that year. Failure to timely provide such notification to the Department shall result in the delay of the effective date for a period of one year.

### DISPOSITION:

The Department shall distribute funds using a distribution factor determined for each levying county that is multiplied by the amount available for distribution. The county's distribution factor shall equal the product of the county's latest official population, pursuant to s. 186.901, F.S.; the county's surtax rate; and the number of months the county has levied the surtax during the most recent distribution period divided by the sum of all such products of the counties levying the surtax during the most recent distribution period. The Department shall compute distribution factors for eligible counties once each quarter and make appropriate quarterly distributions. A county that fails to provide timely information waives its rights to challenge the Department's determination of the county's share of the revenues.

### OTHER STATES:

According to the Tax Foundation, 38 states collect local sales taxes as of July 2025. A listing of those states can be found in the Tax Foundation's article entitled *State and Local Sales Tax Rates, Midyear 2025* via the following link:

<https://taxfoundation.org/data/all/state/sales-tax-rates/>

### ADDITIONAL INFORMATION:

A table summarizing the counties eligible to levy the various surtaxes and the 2025 county tax rates immediately follows this section. Summaries of the nine individual surtax authorizations can be found in the sections immediately following the surtax rate table.

## LOCAL DISCRETIONARY SALES SURTAXES

Annual tax distributions by county as well as a historical summary of surtax impositions, expirations, extensions, rate changes, and repeals can be found on the EDR's Local Government Data webpage under the heading of Local Option Sales Taxes via the following link:

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of each surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

2025 Local Discretionary Sales Surtax Rates in Florida's Counties

County Government Levies

School District Levy

Certain Levy Combinations Are Subject to Tax Rate Caps - See Notes Below																					
County	Charter County and Regional Transportation System Surtax s. 212.055(1), F.S. Up to 1%	Local Gov't Infrastructure Surtax s. 212.055(2), F.S. 0.5% or 1%					Small County Surtax s. 212.055(3), F.S. 0.5% or 1%		Indigent Care and Trauma Center Surtax s. 212.055(4), F.S. Up to 0.25% 0.5%		County Public Hospital Surtax s. 212.055(5), F.S. 0.5%		Volter-Approved Indigent Care Surtax s. 212.055(7), F.S. Up to 0.5% 1%		Pension Liability Surtax s. 212.055(9), F.S. Up to 0.5%		Emergency Fire Rescue Services and Facilities Surtax s. 212.055(8), F.S. Up to 1%		School Capital Outlay Surtax s. 212.055(6), F.S. Up to 0.5%		
		April 1, 2024 Countywide Population Estimates																			
Alachua	296,313	1																			
Baker	28,899	0.5	1																		
Bay	196,112																				
Bradford	27,335	0.5	1																		
Brevard	653,703																				
Broward	1,981,888	1																			
Calhoun	13,700		1																		
Charlotte	210,645	1																			
Citrus	166,151																				
Clay	236,365	1																			
Collier	408,381																				
Columbia	72,155		1																		
DeSoto	35,487		1																		
Dixie	17,555		1																		
Duval	1,062,593	0.5																			
Escambia	336,358	1																			
Flagler	136,310		0.5																		
Franklin	13,321	1																			
Gadsden	44,853	1																			
Gilchrist	19,503	1																			
Glades	12,815	1																			
Gulf	16,947	1																			
Hamilton	14,228	1																			
Hardee	25,983	1																			
Hendry	45,413		1																		
Hernando	210,577																				
Highlands	106,109	1																			
Hillsborough	1,560,449	0.5																			
Holmes	20,059		1																		
Indian River	171,029	1																			
Jackson	49,345		1																		
Jefferson	15,667	1																			
Lafayette	8,504		1																		
Lake	433,331	1																			
Lee	827,016																				
Leon	302,197	1																			
Levy	45,845		1																		
Liberty	8,016		1																		
Madison	18,649		1																		
Manatee	455,356	0.5																			
Manatee	455,356	1																			
Marion	419,510	1																			
Martin	164,853	0.5																			
Miami-Dade	2,774,841																				
Monroe	84,147	1																			
Nassau	103,990		1																		
Okaloosa	221,806	0.5																			
Okeechobee	40,230		1																		
Orange	1,511,568																				
Osceola	451,231	1																			
Palm Beach	1,545,905	1																			
Pasco	633,029	1																			
Pinellas	971,218	1																			
Polk	826,090																				
Putnam	76,138	1																			
St. Johns	331,479																				
St. Lucie	385,746	0.5																			
Santa Rosa	207,983	0.5																			
Sarasota	479,027	1																			
Seminole	493,282																				
Sumter	156,743	1																			
Suwannee	46,519		1																		
Taylor	21,802		1																		
Union	16,100		1																		
Volusia	594,643																				
Wakulla	37,313	1																			
Walton	87,728		1																		
Washington	26,568		1																		
# Eligible to Levy:	23	67	31	66	1	59	27	65	67	67	67	67	67	67	67	67	67	67	67	67	67
# Levying:	3	27	30	1	1	5	0	2	60	60	60	60	60	60	60	60	60	60	60	60	60



2025 Local Discretionary Sales Surtax Rates in Florida's Counties

County Government Levies

County	Certain Levy Combinations Are Subject to Tax Rate Caps - See Notes Below										School District Levy			
	Charter County and Regional Transportation Surtax s. 212.055(1), F.S. Up to 1%	Local Govt Infrastructure Surtax s. 212.055(2), F.S. 0.5% or 1%	Indigent Care and Trauma Center Surtax s. 212.055(4), F.S. Up to 0.25% or 1%		County Public Hospital Surtax s. 212.055(5), F.S. 0.5%	Voter-Approved Indigent Care Surtax s. 212.055(7), F.S. Up to 0.5% or 1%	Pension Liability Surtax s. 212.055(9), F.S. Up to 0.5%	Emergency Fire Rescue Services and Facilities Surtax s. 212.055(8), F.S. Up to 1%	Maximum Potential Tax Rate	Current Tax Rate	Unutilized Tax Rate	Maximum Potential Tax Rate	Current Tax Rate	Unutilized Tax Rate

- Notes:
- 1) Boxed areas indicate those counties eligible to impose particular surtaxes authorized for county governments or school districts eligible to impose the School Capital Outlay Surtax.
- 2) The Indigent Care and Trauma Center Surtax consists of two separate levies for different groups of eligible counties. Non-consolidated counties with a total population of 800,000 or more may impose, either by an extraordinary vote of the county's governing body or voter approval in a countywide referendum, a surtax not to exceed 0.5% for the purpose of funding health care services for qualified residents. Non-consolidated counties with a total population of less than 800,000 may impose, subject to voter approval in a countywide referendum, a surtax not to exceed 0.25% for the sole purpose of funding trauma services provided by a trauma center licensed pursuant to Chapter 395, Florida Statutes.
- 3) Pursuant to ss. 212.055(2)(h) and 212.055(3)(f), F.S., a county cannot levy the Local Government Infrastructure, Small County, Indigent Care and Trauma Center, and County Public Hospital surtaxes in excess of a combined rate of 1%.
- 4) Pursuant to s. 212.055(4)(b)5, F.S., a county cannot levy the Local Government Infrastructure, Small County, and Indigent Care and Trauma Center surtaxes in excess of a combined rate of 1%.
- 5) Pursuant to s. 212.055(5)(f), F.S., a county cannot levy the Local Government Infrastructure, Small County, and County Public Hospital surtaxes in excess of a combined rate of 1%.
- 6) Subject to referendum approval, the Voter-Approved Indigent Care Surtax may be levied by counties with less than 800,000 residents at a rate not to exceed 0.5%. However, if a publicly supported medical school is located within the qualifying county, the rate cannot exceed 1%, pursuant to s. 212.055(7)(a), F.S. Currently, Florida has publicly supported medical schools at the following universities: Florida International University in Miami-Dade County; Florida State University in Leon County; University of Central Florida in Orange County; University of South Florida in Hillsborough County; The Florida International University, University of Central Florida, and University of South Florida medical schools are each located in counties having a resident population greater than 800,000; therefore, Hillsborough, Miami-Dade, and Orange counties are not eligible to levy the surtax. Only Alachua and Leon counties could levy the surtax at the maximum 1% rate. Additionally, the governing body of any county that has a population of less than 50,000 residents may levy the surtax at a rate not to exceed 1%, subject to voter approval in countywide referendum pursuant to Chapter 2005-242, Laws of Florida. Consequently, if a publicly supported medical school is located in the county, or the county has a population of less than 50,000 residents, the combined tax rate of this levy and any Local Government Infrastructure Surtax and Small County Surtax levies cannot exceed 1.5% pursuant to s. 212.055(7)(f), F.S. For all other counties eligible to levy this surtax, the combined tax rate cannot exceed 1%.
- 7) During the 2025 calendar year, DeSoto, Gadsden, Holmes, Madison, and Polk counties will be levying the Voter-Approved Indigent Care Surtax at 0.5 percent. Based on the April 1, 2024, official population estimates, 58 counties have a total population of less than 800,000 and are eligible to levy this surtax. Based on these same estimates, the total populations of nine counties (i.e., Broward, Duval, Hillsborough, Lee, Miami-Dade, Orange, Palm Beach, Pinellas, and Polk) exceed 800,000. Although the total population of Polk County now exceeds 800,000, the county originally authorized this surtax levy, effective January 1, 2005, when its total population was well below the 800,000-population limit. That initial levy was scheduled to expire on December 31, 2019; however, prior to that expiration date, the county extended the levy when its total population was still below the 800,000-population limit. Polk County's levy is now scheduled to expire on December 31, 2044.
- 8) Effective July 1, 2009, Chapter 2009-146, L.O.F., renamed the Charter County Transit System Surtax as the Charter County Transportation System Surtax and extended eligibility for surtax levy to 13 additional charter counties. Effective July 1, 2010, Chapter 2010-225, L.O.F., renamed the Charter County Transportation System Surtax as the Charter County and Regional Transportation System Surtax and extended eligibility for surtax levy to each county that is within or under an interlocal agreement with a regional transportation or transit authority created under Chapters 343 or 349, Florida Statutes (i.e., South Florida Regional Transportation Authority, Central Florida Regional Transportation Authority, Northwest Florida Transportation Corridor Authority, Tampa Bay Area Regional Transit Authority, and Jacksonville Transportation Authority). As a result of the legislation, seven counties within the Northwest Florida Transportation Corridor Authority (i.e., Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, and Walton) and three counties of the Tampa Bay Area Regional Transit Authority (i.e., Hernando, Manatee, and Pasco) are eligible to levy this surtax. Effective March 15, 2021, the 1% Charter County and Regional Transportation System Surtax in Hillsborough County was terminated after the Florida Supreme Court ruled that the county's levy was unconstitutional. Effective July 1, 2021, Chapter 2021-188, L.O.F., dissolved the Northwest Florida Transportation Corridor Authority by repealing Part II of Chapter 343, F.S. Consequently, the non-charter counties of Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, and Walton, which were served by the authority, are no longer eligible to levy this surtax. Although Wakulla County was also served by the Authority, it is still eligible to levy the surtax because it is also a charter county.
- 9) Effective July 1, 2009, Chapter 2009-182, L.O.F., created the Emergency Fire Rescue Services and Facilities Surtax. A county's governing body, other than a county that has imposed two separate discretionary surtaxes without expiration, may levy this surtax at a rate of up to 1%, subject to voter approval in a countywide referendum. Madison and Miami-Dade counties are not eligible to levy this surtax since each county has imposed two separate discretionary surtaxes without expiration. The remaining 65 counties are eligible to levy this surtax. However, if Orange or Osceola impose the surtax, neither county can levy the surtax within the boundaries of the Reedy Creek Improvement District pursuant to s. 212.055(8)(j), F.S.
- 10) Since both the Charter County and Regional Transportation System Surtax and Emergency Fire Rescue Services and Facilities Surtax are not subject to any tax rate limitations, the maximum potential tax rates for nearly all county governments have increased since July 1, 2009. For Madison and Miami-Dade counties, the maximum potential tax rate did not change. For 24 counties (i.e., Alachua, Bay, Brevard, Charlotte, Citrus, Clay, Columbia, Escambia, Franklin, Gulf, Hernando, Lee, Leon, Manatee, Okaloosa, Orange, Osceola, Palm Beach, Pasco, Polk, Santa Rosa, Seminole, Wakulla, and Walton), the maximum potential tax rate increased by 2%. For all other counties, the maximum potential tax rate increased by 1%. Currently, Alachua, Franklin, Gulf, Leon, and Wakulla counties have the highest maximum potential tax rate for county government levies at 3.5%.
- 11) Effective July 1, 2016, Chapter 2016-146, L.O.F., created the Pension Liability Surtax and specified that a county considering a Pension Liability Surtax levy must currently levy the Local Government Infrastructure Surtax, which is scheduled to terminate and is not subject to renewal. Additionally, the legislation created a number of preconditions that must be satisfied prior to a Pension Liability Surtax levy and specified that a county may not levy this surtax as well as the Local Government Infrastructure Surtax, Small County Surtax, Indigent Care and Trauma Center Surtax, and County Public Hospital Surtax, in excess of a combined rate of 1%.
- 12) Effective May 7, 2024, Chapter 2024-158, L.O.F., removed statutory language that excluded counties consolidated with one or more municipalities (i.e., Duval County only) from the authority to levy the Indigent Care and Trauma Center Surtax. Additionally, it removed a county's ability to authorize the surtax levy by an extraordinary vote of the governing body and now requires voters to approve the levy.
- 13) New or extended surtax levies effective January 1, 2025: Hamilton County's 1% Emergency Fire Rescue Services and Facilities Surtax levy; Marion County's 1% Local Government Infrastructure Surtax levy; Marion County's 0.5% School Capital Outlay Surtax levy; Marion County's 0.5% Local Government Infrastructure Surtax levy; and Seminole County's 1% Local Government Infrastructure Surtax levy.
- 14) Effective January 1, 2025, the 0.5% Local Government Infrastructure Surtax and 0.5% Indigent Care and Trauma Center Surtax levies in Hillsborough County will be temporarily suspended. In March 2021, the Florida Supreme Court ruled that Hillsborough County's levy of the 1% Charter County and Regional Transportation System Surtax, which was adopted in November 2018, was unconstitutional. The Florida Legislature enacted Chapter 2024-231, Laws of Florida, which provides that the invalidated transportation surtax proceeds will be used to temporarily offset all Hillsborough County surtax levies, except the School Capital Outlay Surtax, beginning January 1, 2025. The length of the surtax suspension is based on several factors and will be determined by the Department of Revenue. Because the suspension of the two Hillsborough County surtaxes is temporary, the rates remain listed in this table.
- 15) During 2024, the following surtax levies, which were set to expire in future years, were extended: Bay County's 0.5% Local Government Infrastructure Surtax levy; Escambia County's 0.5% School Capital Outlay Surtax levy; Hillsborough County's 0.5% Local Government Infrastructure Surtax levy; Holmes County's 0.5% Voter-Approved Indigent Care Surtax levy; Jackson County's 0.5% School Capital Outlay Surtax; Monroe County's 0.5% School Capital Outlay Surtax; Orange County's 0.5% School Capital Outlay Surtax; St. Johns County's 0.5% School Capital Outlay Surtax; and St. Lucie County's 0.5% School Capital Outlay Surtax.
- 16) The following levies are scheduled to expire on December 30, 2025: Jackson County's 1% Small County Surtax levy and Martin County's 0.5% School Capital Outlay Surtax levy.
- 17) The following levies are scheduled to expire on December 30, 2026: Brevard County's 0.5% Local Government Infrastructure Surtax and 0.5% School Capital Outlay Surtax levies; Charlotte County's 1% Local Government Infrastructure Surtax levy; Liberty County's 0.5% Emergency Fire Rescue Services and Facilities Surtax levy; Palm Beach County's 1% Local Government Infrastructure Surtax levy; and Santa Rosa County's 0.5% Local Government Infrastructure Surtax levy.

Data Sources: Florida Department of Revenue's "History of Local Sales Tax and Current Rates" (March 1, 2025) available at <https://floridarevenue.com/taxes/Documents/HHistorySalesTaxRates.pdf>

# CHARTER COUNTY AND REGIONAL TRANSPORTATION SYSTEM SURTAX

FLORIDA STATUTES: Section 212.055(1)

ADMINISTERED BY: Department of Revenue

## SUMMARY:

Each charter county that has adopted a charter, each county the government of which is consolidated with that of one or more municipalities, and each county that is within or under an interlocal agreement with a regional transportation or transit authority created under ch. 343 or 349, F.S., may levy the Charter County and Regional Transportation System Surtax at a rate of up to 1 percent. The levy is subject to approval by a majority vote of the county's electorate or by a charter amendment approved by a majority vote of the county's electorate. Generally, the use of the proceeds is for the development, construction, operation, and maintenance of fixed guideway rapid transit systems, bus systems, on-demand transportation services, and roads and bridges. Broward, Duval, and Miami-Dade counties will be levying this surtax during the 2025 calendar year.

## REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	895,891,143	2.04%
2025-26*	877,994,302	-0.21%
2024-25	879,884,829	1.86%
2023-24	863,837,026	-0.31%
2022-23	866,523,994	5.27%
2021-22	823,166,134	0.51%
2020-21	818,997,666	-2.79%

\* Estimate

## HISTORY:

Chapter 76-284, L.O.F., authorized charter counties, which adopted a charter prior to June 1, 1976, to levy a 1 percent surtax subject to voter approval in a countywide referendum. The surtax proceeds were restricted to costs associated with the development and construction of fixed guideway rapid transit systems.

Chapter 85-180, L.O.F., authorized the expenditure of surtax proceeds for countywide bus systems that function as supportive services for a fixed guideway rapid transit system. Chapters 87-99 and 87-100, L.O.F., authorized counties to remit surtax proceeds to an expressway or transportation authority for the development, construction, operation, and maintenance of roads or bridges, or for the operation and maintenance of a bus system. Chapter 87-548, L.O.F., authorized any county, which was consolidated with one or more municipalities, to levy the surtax at the rate of 1 percent.

Chapter 99-385, L.O.F. (HB 591), authorized the surtax proceeds to be applied to as many or as few of the authorized uses in whatever combination the county's governing body deems appropriate.

Chapter 2002-20, L.O.F. (HB 261), expanded levy eligibility by authorizing any county that adopted a charter prior to January 1, 1984, to levy this surtax. Chapter 2003-254, L.O.F. (SB 1176), authorized a number of expanded uses for the surtax proceeds. Chapter 2004-66, L.O.F. (SB 2264), authorized all charter counties eligible to levy this surtax to use up to 25 percent of the proceeds for non-transit purposes. Chapter 2009-146, L.O.F. (HB 1205), renamed the surtax as the Charter County Transportation System Surtax and extended eligibility for surtax levy to 13 additional charter counties and allowed for

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the surtax proceeds to be remitted to transit authorities. Additionally, it required interlocal agreements specifying the distribution of surtax proceeds with one or more municipalities to be revised no less than every five years to reflect recent municipal incorporations.

Chapter 2010-225, L.O.F. (HB 1271), renamed the surtax as the Charter County and Regional Transportation System Surtax and extended eligibility for surtax levy to counties within or under an interlocal agreement with a regional transportation or transit authority. The surtax proceeds could be expended for the planning, development, construction, expansion, operation, and maintenance of statutorily-defined, on-demand transportation services. Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held. Chapter 2019-169, L.O.F. (CS/CS/CS/HB 385), changed the authorized uses of the surtax proceeds, effective October 1, 2022.

Chapter 2020-10, L.O.F. (CS/HB 7097), required that any levy of this surtax, pursuant to a referendum held on or after July 1, 2020, shall not be levied for more than 30 years. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### **IMPOSITION AND RATE:**

Any county that has adopted a home rule charter, any county government that has consolidated with one or more municipalities, and any county that is within or under an interlocal agreement with a regional transportation or transit authority created under ch. 343 or 349, F.S., may levy this surtax at a rate of up to 1 percent, subject to approval by a majority vote of the county's electorate or a charter amendment approved by a majority vote of the county's electorate.

Based on these criteria, 23 counties (i.e., Alachua, Brevard, Broward, Charlotte, Clay, Columbia, Duval, Hernando, Hillsborough, Lee, Leon, Manatee, Miami-Dade, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Sarasota, Seminole, Volusia, and Wakulla) are eligible to levy the surtax. During the 2025 calendar year, Broward County will be levying at 1 percent, and Duval and Miami-Dade counties will be levying at 0.5 percent. Effective March 15, 2021, the surtax levy in Hillsborough County was terminated after the Florida Supreme Court ruled that the county's levy was unconstitutional. This surtax, in addition to the Emergency Fire Rescue Services and Facilities Surtax and the School Capital Outlay Surtax, is not subject to a combined rate limitation that impacts the other discretionary sales surtax levies.

## **CHARTER COUNTY AND REGIONAL TRANSPORTATION SYSTEM SURTAX**

### **DISPOSITION AND USES:**

The Department of Revenue shall distribute the surtax proceeds to the county government for deposit into the county trust fund or remittance by the county's governing body to an expressway, transit, or transportation authority created by law. Generally, the surtax proceeds may be expended by the county government or an expressway, transit or transportation authority created by law for the planning, development, construction, operation, and maintenance of roads and bridges in the county; for the planning, development, expansion, operation, and maintenance of bus and fixed guideway systems; for the planning, development, construction, operation, and maintenance of on-demand transportation services; and for the payment of principal and interest on bonds issued for the construction of fixed guideway rapid transit systems, bus systems, roads, or bridges. Effective October 1, 2022, additional uses of the surtax proceeds in Miami-Dade County were authorized.

### **ADDITIONAL INFORMATION:**

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## EMERGENCY FIRE RESCUE SERVICES AND FACILITIES SURTAX

FLORIDA STATUTES: Section 212.055(8)

ADMINISTERED BY: Florida Department of Revenue

### SUMMARY:

The Emergency Fire Rescue Services and Facilities Surtax may be levied at the rate of up to 1 percent pursuant to an ordinance enacted by a majority vote of the county's governing body and approved by voters in a countywide referendum. However, any county that has imposed two separate discretionary surtaxes without expiration cannot levy this surtax. The proceeds must be expended for specified emergency fire rescue services and facilities. Hamilton and Liberty counties will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	195,634	2.04%
2025-26*	191,726	-0.21%
2024-25	192,139	30.53%
2023-24	147,194	-26.30%
2022-23	199,734	20.66%
2021-22	165,532	20.60%
2020-21	137,256	16.71%

### HISTORY:

Chapter 2009-182, L.O.F. (SB 1000), created the Emergency Fire Rescue Services and Facilities Surtax. It authorized a county's governing body, other than a county that has imposed two separate discretionary surtaxes without expiration, to levy a discretionary sales surtax of up to 1 percent, subject to voter approval in a countywide referendum, for emergency fire rescue services and facilities.

Chapter 2015-169, L.O.F. (CS/CS/HB 209), removed the requirement for the county government to enter into an interlocal agreement as a prerequisite for holding a referendum on the surtax. If the surtax is approved by referendum, the proceeds will be distributed to all local government entities providing emergency fire rescue services in the county. Surtax proceeds will be distributed to all participating entities providing emergency fire rescue services in the county based on each entity's pro rata share of spending on such services in the county over the five preceding fiscal years. Local government entities receiving any share of the surtax proceeds are required to reduce ad valorem taxes by the amount of revenue projected from surtax collections. If the surtax raises more revenue than the amount that would reduce the millage rate to zero, the funds are applied to non-ad valorem assessments by the entity, with any excess surtax proceeds transferred to the county to reduce the county's millage rate. If any entity declines its share of surtax proceeds, those proceeds are redistributed proportionally to participating entities on a pro rata basis. Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified

## **EMERGENCY FIRE RESCUE SERVICES AND FACILITIES SURTAX**

public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### **IMPOSITION AND RATE:**

The rate is up to 1 percent. Any county, except Madison, Miami-Dade, and certain portions of Orange and Osceola, is eligible to levy the surtax, subject to voter approval in a countywide referendum. The rate is up to 1 percent. Madison and Miami-Dade counties are not eligible to levy this surtax because both counties currently levy two separate discretionary surtaxes without expiration. Madison County levies both the Small County Surtax and Voter-Approved Indigent Care Surtax without expiration dates, and Miami-Dade County levies both the Charter County and Regional Transportation System Surtax and County Public Hospital Surtax without expiration dates. During the 2025 calendar year, Hamilton County will be levying at the 1 percent rate, and Liberty County will be levying at the 0.5 percent rate.

Additionally, the legislation provides that, notwithstanding s. 212.054, F.S., if a multicounty independent special district created pursuant to Chapter 67-764, L.O.F., levies ad valorem taxes on district property to fund emergency fire rescue service within the district and is required by s.2, Art. VII of the State Constitution to maintain a uniform ad valorem tax rate throughout the district, the county may not levy the surtax within the district's boundaries. This provision relates specifically to the Central Florida Tourism Oversight District (formerly the Reedy Creek Improvement District), which is located within portions of Orange and Osceola counties. The cities of Bay Lake and Lake Buena Vista as well as the Walt Disney World Resort Complex are located within the district. This provision prevents either county from levying the surtax within the district's boundaries if an ad valorem tax is levied to fund emergency fire rescue services. Currently, the district levies such an ad valorem tax and maintains a uniform ad valorem tax rate. Consequently, Orange and Osceola counties are prohibited from levying the surtax within the district's boundaries.

In addition to the Charter County and Regional Transportation System Surtax and the School Capital Outlay Surtax, this surtax is not subject to a combined rate limitation that impacts the other discretionary sales surtaxes.

### **DISPOSITION AND USES:**

The surtax proceeds, less an administrative fee that may be retained by the Department of Revenue, are distributed by the Department to the county. The county distributes the surtax proceeds it receives from the Department to each local government entity providing emergency fire rescue services in the county. The surtax proceeds, less an administrative fee not to exceed 2 percent of the surtax collected, must be distributed by the county based on each entity's average annual expenditures for fire control and emergency fire rescue services in the five fiscal years preceding the fiscal year in which the surtax takes effect in proportion to the average annual total of the expenditures for such entities in the five fiscal years preceding the fiscal year in which the surtax takes effect. The county must revise the distribution

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proportions to reflect a change in the service area of an entity receiving a distribution of the surtax proceeds. If an entity declines its share of surtax revenue, such revenue must be redistributed proportionally to the entities that are participating in the sharing of such revenue based on each participating entity's average annual expenditures for fire control and emergency fire rescue services in the preceding five fiscal years in proportion to the average annual total of the expenditures for the participating entities in the preceding five fiscal years.

The surtax shall be expended for emergency fire rescue services and facilities, which includes but is not limited to the following: 1) preventing and extinguishing fires; 2) protecting and saving life and property from fires, natural or intentional acts, or disasters; 3) enforcing municipal, county, or state fire protection codes and laws pertaining to the prevention and control of fires; and 4) providing pre-hospital emergency medical treatment.

### **ADDITIONAL INFORMATION:**

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## LOCAL GOVERNMENT INFRASTRUCTURE SURTAX

FLORIDA STATUTES: Section 212.055(2)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The Local Government Infrastructure Surtax may be levied at the rate of 0.5 or 1 percent pursuant to an ordinance enacted by a majority vote of the county's governing body and approved by voters in a countywide referendum. Generally, the proceeds must be expended to finance, plan, and construct infrastructure; to acquire land for public recreation, conservation, or protection of natural resources; or to finance the closure of local government-owned solid waste landfills that have been closed or are required to be closed by order of the Department of Environmental Protection (DEP). Additional expenditure authority exists for select counties. All counties are eligible to levy this surtax, and 27 counties will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	1,825,867,704	2.04%
2025-26*	1,789,393,112	-0.21%
2024-25	1,793,246,092	-1.30%
2023-24	1,816,780,780	-2.81%
2022-23	1,869,244,096	6.20%
2021-22	1,760,176,531	19.11%
2020-21	1,477,819,583	10.02%

\* Estimate

### HISTORY:

Chapter 87-239, L.O.F., created the Local Government Infrastructure Surtax, which authorized county governments, pursuant to voter approval in a countywide referendum, to levy a surtax of up to 1 percent in increments of  $\frac{1}{4}$  cent for a period of up to 15 years. The distribution of proceeds was to be governed by interlocal agreement or default formula methodology, and the proceeds could be expended only for the financing, planning, and construction of infrastructure. Local government could not use the proceeds to supplant user fees or reduce existing ad valorem taxes. Chapter 87-548, L.O.F., authorized the surtax levy at a rate of 0.5 or 1 percent. Additionally, one or more municipalities representing a majority of the county's municipal population were authorized to place a surtax levy referendum on the ballot by adopting uniform resolutions to that effect.

Chapter 90-132, L.O.F. (HB 1299), authorized the surtax proceeds to also be used to acquire land for public recreation or conservation, or for the protection of natural resources. Chapter 90-203, L.O.F. (SB 862), required that municipalities adopting uniform resolutions called for a surtax levy referendum represent a majority of the county's population. Chapter 90-282, L.O.F. (HB 475), authorized school districts to share in the surtax proceeds pursuant to an interlocal agreement, subject to the consent of the county's governing body and the governing bodies of municipalities representing a majority of the county's municipal population. Chapter 92-309, L.O.F. (HB 193-H), limited the combined rate, in varying combinations of this and several other surtaxes to 1 percent. In addition, counties having a total population of 50,000 or less on April 1, 1992, were authorized to use the surtax proceeds for any public purpose if several conditions were met. Chapter 93-207, L.O.F. (HB 461), authorized local governments to use the surtax proceeds to finance the closure of county or municipal-owned solid waste landfills that



## LOCAL GOVERNMENT INFRASTRUCTURE SURTAX

were already closed or required to be closed. In addition, counties having a total population of less than 50,000 were authorized to use the surtax proceeds for long-term maintenance costs associated with landfill closures. Chapter 93-222, L.O.F. (HB 729), limited the length of surtax levy and specified that any levy could only be extended by referendum approval. Also, the definition of infrastructure was expanded to include emergency vehicles and equipment. Chapter 94-459, L.O.F. (HB 475), authorized the Clay County BOCC to use the surtax proceeds to retire or service bond indebtedness incurred prior to July 1, 1987, and subsequently refunded, for the purpose of financing infrastructure. Chapter 94-487, L.O.F. (HB 2091), authorized the Alachua County BOCC and the county's municipalities to use surtax proceeds for the operation and maintenance of parks and recreation programs. Chapter 96-240, L.O.F. (SB 2334), authorized any county designated as an area of critical state concern to use the surtax proceeds for any public purpose if several conditions were met. In addition, any county in which 40 percent or more of the just value of real property is exempt or immune from ad valorem taxation (and the municipalities within such a county) was authorized to use the surtax proceeds for operation and maintenance of parks and recreation programs. Chapter 96-410, L.O.F. (HB 751), specified that once a county having a total population of 50,000 or less was qualified to use the surtax proceeds for long-term maintenance costs associated with the closure of solid waste landfills, the county would retain that qualification until its population exceeds 75,000. Chapter 98-342, L.O.F. (HB 4413), provided for an additional authorized use of the surtax that is imposed or extended after July 1, 1998, by authorizing that no more than 15 percent of surtax proceeds may be allocated for the purpose of funding economic development projects of a general public purpose targeted to improve local economies. Such funding could include the operational costs and incentives related to such economic development. Chapter 98-258, L.O.F. (HB 1589), increased the maximum population limit from 50,000 to 75,000 for a small county to qualify to use the surtax proceeds for long-term maintenance costs associated with landfill closure. Chapter 99-340, L.O.F. (HB 289), authorized charter counties to use the surtax proceeds to retire or service indebtedness for bonds issued prior to July 1, 1987, for infrastructure purposes as well as for bonds subsequently issued to refund such bonds. Additionally, the use of such proceeds for retiring or servicing indebtedness incurred for such refunding bonds issued prior to July 1, 1999, was ratified.

Chapter 2003-254, L.O.F. (SB 1176), eliminated the restrictions on the use of surtax proceeds to supplant or replace user fees or to reduce ad valorem taxes. Chapter 2003-402, L.O.F. (HB 113-A), expanded the allowable uses of the surtax proceeds to include the construction, lease, or maintenance of, provision of utilities or security for, those court facilities as defined in s. 29.008, F.S. Chapter 2006-66, L.O.F. (HB 737), modified the definition of infrastructure to include any fixed capital expenditure or fixed capital outlay associated with the improvement of private facilities that have a life expectancy of five or more years and that the owner agrees to make available for use on a temporary basis as needed by a local government as a public emergency shelter or staging area for emergency response equipment during an emergency officially declared by the state or local government. Chapter 2006-223, L.O.F. (HB 1299), authorized a county, which was designated as an area of critical state concern for at least 20 consecutive years prior to removal of the designation and qualified to use the surtax proceeds for any public purpose at the time of the designation's removal, to continue to use up to 10 percent of the surtax proceeds for any public purpose other than for infrastructure purposes for 20 years. After the 20 year period expires, a county could adopt an ordinance providing for such continued use of surtax proceeds. Chapter 2007-196, L.O.F. (SB 1974), deleted a provision prohibiting a school district, county, or municipality from issuing bonds more than once each year pledging the surtax proceeds. Chapter 2009-96, L.O.F. (SB 360), expanded the definition of infrastructure to include any land-acquisition expenditure for a residential housing project in which at least 30 percent of the units are affordable to individual or families whose total annual household income does not exceed 120 percent of the area median income adjusted for household size, if the land is owned by a local government or special district that enters into a written agreement with the local government to provide such housing.

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Chapter 2012-117, L.O.F. (HB 7117), authorized the surtax proceeds to be used for the additional purpose of providing loans, grants, or rebates to residential or commercial property owners who make energy efficiency improvements to their residential or commercial property, if a local government ordinance authorized such use is approved by referendum. Chapter 2013-198, L.O.F. (HB 579), expanded the definition of energy efficiency improvement to include the installation of systems for natural gas fuels as defined in s. 206.9951, F.S. This change allows a local government to provide loans, grants, or rebates to residential or commercial property owners who install a defined natural gas fueling system, if a local ordinance authorizing such use is approved by referendum. Chapter 2016-225, L.O.F. (CS/CS/HB 447), expanded the purposes for which the surtax proceeds and accrued interest can be used to include the prevention or satisfaction of private property rights claims resulting from limitations imposed by the designation of an area of critical state concern. Additionally, the legislation expanded the definition of infrastructure in s. 212.055(2)(d)1.a., F.S. Prior to this law change, the statute limited the definition, in part, to mean any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction, or improvement of public facilities that have life expectancies of 5 or more years, related land acquisition, land improvement, design, and engineering costs. The legislation expanded this definition to include all other professional and related costs required to bring public facilities into service. As used here, the term public facilities means facilities as defined in ss. 163.3164(38), 163.3221(13), or 189.012(5), F.S. Chapter 2018-118, L.O.F. (CS/HB 7087), amended the definition of infrastructure to clarify that public facilities also includes facilities that are necessary to carry out governmental purposes, including, but not limited to, fire stations, general governmental office buildings, and animal shelters. Additionally, the legislation amended the definition of infrastructure to include instructional technology used solely in a school district's classrooms. Instructional technology is defined as an interactive device that assists a teacher in instructing a class or group of students. The hardware and software necessary to operate the interactive device and support systems in which an interactive device may mount are also included as authorized expenditures. Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period. Chapter 2025-109, L.O.F. (CS/CS/CS/HB 1105), specifies that any interlocal agreement for the distribution of Local Government Infrastructure Surtax revenues, which includes a school district, must require the surtax revenues allocated to the school district be shared with eligible charter schools based on the charter school's proportionate share of the total school district enrollment. The surtax revenues must be expended by a charter school consistent with the allowable uses for charter school capital outlay funds. If a school's charter is not renewed or is terminated and the school is dissolved, any

## LOCAL GOVERNMENT INFRASTRUCTURE SURTAX

unencumbered funds received from such a surtax must be returned to the charter school's sponsor. The requirement that revenues from such a surtax are shared with eligible charter schools applies to levies authorized on or after July 1, 2025.

### IMPOSITION AND RATE:

Local governments may levy this surtax at a rate of 0.5 or 1 percent. This levy shall be pursuant to an ordinance enacted by a majority of the members of the county's governing body and approved by the voters in a countywide referendum. In lieu of action by the county's governing body, municipalities representing a majority of the county's population may initiate the surtax through the adoption of uniform resolutions calling for a countywide referendum on the issue. If the proposal to levy the surtax is approved by a majority of the electors, the levy shall take effect.

Additionally, the surtax may not be levied beyond the time established in the ordinance if the surtax was levied pursuant to a referendum held before July 1, 1993. If the pre-July 1, 1993 ordinance did not limit the period of the levy, the surtax may not be levied for more than 15 years. There is no state-mandated limit on the length of levy for those surtax ordinances enacted after July 1, 1993. The levy may only be extended by voter approval in a countywide referendum.

During the 2025 calendar year, 9 counties will be levying at the 0.5 percent rate, and 18 counties will be levying at the 1 percent rate. This surtax is one of several surtaxes subject to a combined rate limitation. A county shall not levy this surtax and the Small County Surtax, Indigent Care and Trauma Center Surtax, and County Public Hospital Surtax in excess of a combined rate of 1 percent.

### DISPOSITION AND USES:

The Department of Revenue shall distribute the surtax proceeds to the county and its respective municipalities pursuant to distribution percentages specified in a locally determined interlocal agreement, which may include a school district, or the default formula methodology based on the Local Government Half-cent Sales Tax formulas provided in s. 218.62, F.S.

The surtax proceeds and any accrued interest shall be expended by the school district, within the county and municipalities within the county, or, in the case of a negotiated joint county agreement, within another county, to: 1) finance, plan, and construct infrastructure; 2) acquire any interest in land for public recreation, conservation, or protection of natural resources or to prevent or satisfy private property rights claims resulting from limitations imposed by the designation of an area of critical state concern; 3) provide loans, grants, or rebates to residential or commercial property owners who make energy efficiency improvements to their residential or commercial property, if a local government ordinance authorizing such use is approved by referendum; or 4) finance the closure of county or municipal-owned solid waste landfills that have been closed or are required to be closed by order of the DEP.

A county with a total population of 50,000 or less on April 1, 1992, or any county designated as an area of critical state concern that imposed the surtax before July 1, 1992, may use the proceeds and accrued interest of the surtax for any public purpose if the county satisfies all of the following criteria: 1) the debt service obligations for any year are met; 2) the county's comprehensive plan has been determined to be in compliance with part II of ch. 163, F.S.; and 3) the county has adopted an amendment to the surtax ordinance pursuant to the procedure provided in s. 125.66, F.S., authorizing additional uses of the proceeds and accrued interest. Additional expenditure authority exists for select counties.

## LOCAL GOVERNMENT INFRASTRUCTURE SURTAX

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## SMALL COUNTY SURTAX

FLORIDA STATUTES: Section 212.055(3)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Any county with a total population of 50,000 or less on April 1, 1992, is authorized to levy the Small County Surtax at the rate of 0.5 or 1 percent. County governments may impose the levy by either an extraordinary vote of the governing body if the proceeds are to be expended for operating purposes or by voter approval in a countywide referendum if the proceeds are to be used to service bonded indebtedness. If the surtax is enacted by an extraordinary vote of the county's governing body, the proceeds may be used for the operational expenses of any infrastructure or for any public purpose authorized in the ordinance. If the surtax is enacted by countywide referendum, the proceeds may be used to service bonded indebtedness to finance, plan, and construct infrastructure, and to acquire land for public recreation, conservation, or natural resource preservation. Thirty counties will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	162,810,144	2.04%
2025-26*	159,557,754	-0.21%
2024-25	159,901,319	1.79%
2023-24	157,095,817	-1.93%
2022-23	160,182,821	6.30%
2021-22	150,688,041	17.20%
2020-21	128,571,184	19.81%

\* Estimate

### HISTORY:

Chapter 92-309, L.O.F. (HB 193-H), created the Small County Surtax. It authorized counties with a total population of 50,000 or less on April 1, 1992, to levy a surtax of 0.5 or 1 percent, pursuant to an extraordinary vote of the county's governing body if the proceeds were to be used for operating purposes or voter approval in a countywide referendum if the proceeds were to be used for bonded indebtedness. The proceeds were to be shared with municipalities located within the county, and if levied pursuant to referendum, sharing with the county school district or shared with another county for joint county project as conditioned by the referendum. In addition, it limited the combined rate, in varying combinations, of this surtax and the Local Government Infrastructure Surtax, Indigent Care Surtax, County Public Hospital Surtax, and the then Small County Indigent Care Surtax.

Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that

## SMALL COUNTY SURTAX

the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### IMPOSITION AND RATE:

Only those counties, defined as having a total population of 50,000 or less on April 1, 1992, are eligible to levy this surtax at a rate of 0.5 or 1 percent. Based on the population criterion, 31 counties (i.e., Baker, Bradford, Calhoun, Columbia, DeSoto, Dixie, Flagler, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Nassau, Okeechobee, Sumter, Suwannee, Taylor, Union, Wakulla, Walton and Washington) are eligible to levy the surtax.

During the 2025 calendar year, 30 of 31 eligible counties will be levying this surtax. Flagler County will be levying at the 0.5 percent rate and 29 counties will be levying at the 1 percent rate. This surtax is one of several surtaxes subject to a combined rate limitation. A county shall not levy this surtax and the Local Government Infrastructure Surtax, Indigent Care and Trauma Center Surtax, and County Public Hospital Surtax in excess of a combined rate of 1 percent.

### DISPOSITION AND USES:

The Department of Revenue shall distribute the surtax proceeds to the county and its respective municipalities pursuant to distribution percentages specified in a locally determined interlocal agreement, which may include a school district, or the default formula methodology based on the Local Government Half-cent Sales Tax formulas provided in s. 218.62, F.S.

If the surtax is levied as a result of voter approval in a countywide referendum, the proceeds and any accrued interest may be used by the school district, county, or municipalities within the county, or municipalities within another county in the case of a negotiated joint county agreement, for the purpose of servicing bonded indebtedness to finance, plan, and construct infrastructure and to acquire land for public recreation, conservation, or protection of natural resources. In this case, infrastructure means any fixed capital expenditure or cost associated with the construction, reconstruction, or improvement of public facilities having a life expectancy of five or more years and any related land acquisition, land improvement, design, and engineering costs. If the surtax is levied pursuant to an ordinance approved by an extraordinary vote of the county's governing body, the proceeds and accrued interest may be used for operational expenses of any infrastructure or for any public purpose authorized in the ordinance. School districts, counties, and municipalities may pledge the surtax proceeds for the purpose of servicing new bonded indebtedness.

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## INDIGENT CARE AND TRAUMA CENTER SURTAX

FLORIDA STATUTES: Section 212.055(4)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

This surtax consists of two separate levies for different groups of eligible counties. Any county with a total population of 800,000 or more may impose, subject to voter approval in a countywide referendum, a surtax not to exceed 0.5 percent for the purpose of funding health care services for qualified residents. However, Miami-Dade County is not eligible to levy this surtax because it is authorized to levy the separate County Public Hospital Surtax. Non-consolidated counties with a total population of less than 800,000 may impose, subject to voter approval in a countywide referendum, a surtax not to exceed 0.25 percent for the sole purpose of funding trauma services provided by a trauma center licensed pursuant to ch. 395, F.S. Hillsborough County will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	162,754,143	2.04%
2025-26*	159,502,872	-0.21%
2024-25	159,846,319	3.40%
2023-24	154,594,532	-0.39%
2022-23	155,207,396	6.21%
2021-22	146,134,846	21.66%
2020-21	120,115,543	12.40%

\* Estimate

### HISTORY:

Chapter 91-81, L.O.F. (SB 156), created the Indigent Care Surtax. It authorized any non-consolidated county having a total population of 800,000 or more to levy a 0.5 percent surtax, pursuant to an ordinance adopted by an extraordinary vote of the county's governing body or voter approval in a countywide referendum. The surtax proceeds were to be used to fund health care services for indigent and medically poor persons and to supplement funding of the county public general hospital. Chapter 92-309, L.O.F. (HB 193-H), set an October 1, 1998 repeal date for the surtax. In addition, it limited the combined rate, in varying combinations, of this surtax in addition to the Local Government Infrastructure Surtax, Small County Surtax, County Public Hospital Surtax, and the then Small County Indigent Care Surtax to 1 percent. Chapter 97-83, L.O.F. (SB 392), extended the surtax's repeal date to October 1, 2005.

Chapters 2000-312 and 318, L.O.F. (HB 509 and HB 591), renamed the Indigent Care Surtax as the Indigent Care and Trauma Center Surtax and required that the county's plan setting forth the use of the surtax proceeds should also address the services to be provided by the Level I trauma center. In addition, requirements for the disbursement of funds to health care service providers were modified. Chapter 2003-77, L.O.F. (HB 457), repealed the October 1, 2005 sunset provision and imposed the requirement of a biennial audit of the county's indigent care trust fund. Chapter 2004-259, L.O.F. (SB 1762), authorized non-consolidated counties having a total population of less than 800,000 to impose, subject to voter approval in a countywide referendum, a surtax not to exceed 0.25 percent for the sole purpose of funding trauma services provided by a trauma center.

Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in

## INDIGENT CARE AND TRAUMA CENTER SURTAX

November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period. Chapter 2024-158, L.O.F., (CS/HB 7073) removed statutory language that excluded counties consolidated with one or more municipalities (i.e., Duval County only) from the authority to levy the surtax. Additionally, it removed a county's ability to authorize the surtax levy by an extraordinary vote of the governing body and now requires voters to approve the levy.

### IMPOSITION AND RATE:

As previously mentioned, this surtax consists of two separate levies for different groups of eligible counties. First, any county having a total population of 800,000 or more is eligible to levy a surtax at a rate not to exceed 0.5 percent subject to voter approval in a countywide referendum. Based on 2024 official population estimates, the eight counties of Broward, Duval, Hillsborough, Lee, Orange, Palm Beach, Pinellas, and Polk are eligible to levy the 0.5 percent surtax. Although Miami-Dade County has a total population greater than 800,000, the county is prohibited from levying the 0.5 percent surtax because it already has authority to levy the County Public Hospital Surtax.

Second, non-consolidated counties having a total population of less than 800,000 are eligible to levy a surtax at a rate not to exceed 0.25 percent. This surtax can only be imposed subject to voter approval in a countywide referendum. Based on the population criterion, 58 counties are eligible to levy the 0.25 percent surtax.

In total, 66 counties are eligible to levy this surtax. During the 2025 calendar year, only Hillsborough County will be levying at the 0.5 percent rate. Both of these surtaxes are subject to a combined rate limitation. A county eligible to levy either the 0.5 or 0.25 percent surtax shall not levy it along with the Local Government Infrastructure Surtax and Small County Surtax in excess of a combined rate of 1 percent.

### DISPOSITION AND USES:

The Department of Revenue distributes the surtax proceeds on a regular and periodic basis to the Clerk of Circuit Court as the designated custodian of the proceeds. The clerk shall maintain the monies in an indigent health care or trauma services trust fund, invest any funds held on deposit in the trust fund, disburse the funds to the appropriate provider upon directive from the authorizing county, and prepare on a biennial basis an audit of the trust fund.



## INDIGENT CARE AND TRAUMA CENTER SURTAX

The 0.5 percent surtax proceeds shall be used to fund a broad range of health care services for both indigent persons and the medically poor, including, but not limited to, primary care and preventive care as well as hospital care. The 0.25 percent surtax proceeds shall be used for the sole purpose of funding trauma services provided by a trauma center licensed pursuant to Chapter 395, F.S.

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## COUNTY PUBLIC HOSPITAL SURTAX

FLORIDA STATUTES: Section 212.055(5)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] is authorized to levy the County Public Hospital Surtax at a rate of 0.5 percent. The levy may be authorized either by an extraordinary vote of the county's governing body or voter approval in a countywide referendum. Proceeds shall be used to supplement the operation, maintenance, and administration of the county public general hospital. Miami-Dade County will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	345,438,068	2.04%
2025-26*	338,537,397	-0.21%
2024-25	339,266,347	3.38%
2023-24	328,185,113	-0.51%
2022-23	329,862,948	5.53%
2021-22	312,591,846	32.66%
2020-21	235,639,898	3.50%

\* Estimate

### HISTORY:

Chapter 91-81, L.O.F. (SB 186), created the County Public Hospital Surtax. It authorized any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] to levy the surtax at the rate of 0.5 percent pursuant to an extraordinary vote of the county's governing body or voter approval in a countywide referendum. The surtax proceeds were designated for the operation, maintenance, and administration of the county public general hospital. Chapter 92-309, L.O.F. (HB 193-H), limited the combined tax rate, in varying combinations, of this surtax and the Local Government Infrastructure Surtax, Small County Surtax, Indigent Care Surtax, and the then Small County Indigent Care Surtax to 1 percent.

Chapter 2000-312, L.O.F. (HB 509), reduced the county's proportional contribution for the county public general hospital's operation, administration, and maintenance. The monies were redirected for the development and implementation of a county plan for indigent health care services. Additionally, the surtax was scheduled for repeal on October 1, 2005. Chapter 2005-96, L.O.F. (SB 300), reenacted the surtax, which had been set to repeal on October 1, 2005.

Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least

## COUNTY PUBLIC HOSPITAL SURTAX

60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### IMPOSITION AND RATE:

Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] is authorized to levy the County Public Hospital Surtax at a rate of 0.5 percent. The levy may be authorized either by an extraordinary vote of the county's governing body or voter approval in a countywide referendum.

Only Miami-Dade County is eligible to levy this surtax, and the county will be levying at the 0.5 percent rate during the 2025 calendar year. This surtax is one of several surtaxes subject to a combined rate limitation. An eligible county shall not levy this surtax along with the Local Government Infrastructure Surtax and Small County Surtax in excess of a combined rate of 1 percent.

### DISPOSITION AND USES:

The surtax proceeds shall be distributed by the Department of Revenue to the county for deposit into a special fund set aside from other county funds. The proceeds are designated to supplement the operation, maintenance, and administration of the county public general hospital.

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## VOTER-APPROVED INDIGENT CARE SURTAX

FLORIDA STATUTES: Section 212.055(7)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Counties with a total population of less than 800,000 are eligible to levy the Voter-Approved Indigent Care Surtax subject to voter approval in a countywide referendum. If a publicly supported medical school is located within the county, the tax rate shall not exceed 1 percent. If no such medical school is located within the county, the tax rate is capped at 0.5 percent. However, any county with a total population of less than 50,000 may levy the surtax at a rate not to exceed 1 percent. The proceeds are to be used to fund health care services for the medically poor. Five counties will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	66,805,423	2.04%
2025-26*	65,470,880	-0.21%
2024-25	65,611,854	1.54%
2023-24	64,614,343	0.04%
2022-23	64,590,418	8.79%
2021-22	59,368,932	15.25%
2020-21	51,513,733	13.31%

\* Estimate

### HISTORY:

Chapter 92-309, L.O.F. (HB 193-H), created the Small County Indigent Care Surtax within s. 212.055(6), F.S., which authorized counties with a total population of 50,000 or less on April 1, 1992, to levy a 0.5 percent pursuant to an extraordinary vote of the governing body to fund health services for indigent or medically poor county residents. The surtax was scheduled to repeal on October 1, 1998. Chapter 99-4, L.O.F. (HB 1045), repealed s. 212.055(6), F.S., since the surtax had expired on October 1, 1998.

Chapter 2000-312, L.O.F. (HB 509), created the Voter-Approved Indigent Care Surtax within s. 212.055(7), F.S., which authorized counties with a total population of less than 800,000 to the surtax subject to voter approval in a countywide referendum. If a publicly supported medical school was located within the county, the surtax rate could not exceed 1 percent. If no such medical school was located within the county, the tax rate was capped at 0.5 percent. The surtax proceeds were to be used to fund health care services for the medically poor. The surtax was scheduled to repeal on October 1, 2005. Chapter 2005-96, L.O.F. (SB 300), reenacted s. 212.055(7), F.S., which was set to repeal on October 1, 2005. Chapter 2005-242, L.O.F. (SB 470), authorized any county with a total population of less than 50,000 to levy this surtax, subject to referendum approval, at a rate not to exceed 1 percent. The surtax proceeds could be pledged to service new or existing bond indebtedness incurred to finance, plan, construct, or reconstruct a public or not-for-profit hospital in the county and any land acquisition, land improvement, design, or engineering costs related to the hospital if the county's governing body determined that a public or not-for-profit hospital existing at the time of the bond issuance would, more likely than not, cease to operate.

Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election,

## **VOTER-APPROVED INDIGENT CARE SURTAX**

which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### **IMPOSITION AND RATE:**

Counties with a total population of less than 800,000 are eligible to levy this surtax subject to voter approval in a countywide referendum. If a publicly supported medical school is located within the county, the tax rate shall not exceed 1 percent. If no such medical school is located within the county, the tax rate is capped at 0.5 percent. However, any county with a total population of less than 50,000 may levy the surtax at a rate not to exceed 1 percent. The rate is capped at 0.5 percent or 1 percent if a publicly supported medical school is located in the county.

During the 2025 calendar year, DeSoto, Gadsden, Holmes, Madison, and Polk counties will be levying the surtax at 0.5 percent. Based on the April 1, 2024, official population estimates, 58 counties have a total population of less than 800,000 and are eligible to levy this surtax. Based on these same estimates, the total populations of nine counties (i.e., Broward, Duval, Hillsborough, Lee, Miami-Dade, Orange, Palm Beach, Pinellas, and Polk) exceed 800,000.

Although the total population of Polk County now exceeds 800,000, the county originally authorized this surtax levy, effective January 1, 2005, when its total population was well below the 800,000-population limit. That initial levy was scheduled to expire on December 31, 2019; however, prior to that expiration date, the county extended the levy when its total population was still below the 800,000-population limit. Polk County's levy is now scheduled to expire on December 31, 2044.

This surtax is one of several surtaxes subject to a combined rate limitation. A county eligible to levy this surtax shall not levy it along with the Local Government Infrastructure Surtax and Small County Surtax in excess of a combined rate of 1 percent with the following exceptions. If a publicly supported medical school is located within the county or the county has a total population of less than 50,000, the combined rate cannot exceed 1.5 percent.

### **DISPOSITION AND USES:**

The Department of Revenue distributes the surtax proceeds on a regular and periodic basis to the Clerk of Circuit Court as the designated custodian of the proceeds. The clerk shall maintain the monies in an indigent health care trust fund, invest any funds held on deposit in the trust fund, and disburse the funds to

## VOTER-APPROVED INDIGENT CARE SURTAX

any provider of health care services or to service the authorized bonded indebtedness, subject to statutory provisions and upon directive from the authorizing county. The clerk must maintain the moneys in an Indigent Health Care Trust Fund, to be used to fund a broad range of health care services for both indigent and medically poor people.

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## PENSION LIABILITY SURTAX

FLORIDA STATUTES: Section 212.055(9)

ADMINISTERED BY: Florida Department of Revenue

### SUMMARY:

The county's governing body may levy the Pension Liability Surtax, at a rate not to exceed 0.5 percent, pursuant to an ordinance conditioned to take effect upon approval by a majority vote of county electors voting in a referendum. The surtax proceeds must be used to fund an underfunded defined benefit retirement plan or system. However, in order to impose this surtax, a county must satisfy five prerequisites. Twenty-seven counties are potentially eligible to levy this surtax; however, no county will be levying this surtax during the 2025 calendar year.

### REVENUE:

This surtax was enacted in 2016, and no eligible county has yet levied.

### HISTORY:

Chapter 2016-146, L.O.F. (CS/HB 1297), created the Pension Liability Surtax. Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least 60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### IMPOSITION AND RATE:

Eligible county governments may levy this surtax at a rate not to exceed 0.5 percent pursuant to an ordinance conditioned to take effect upon approval by a majority vote of electors in a countywide referendum. A county may not impose the surtax unless the underfunded defined benefit retirement plan or system is below 80 percent of actuarial funding at the time the ordinance or referendum is passed. The most recent actuarial report submitted to the Department of Management Services (DMS) pursuant to s. 112.63, F.S., must be used to establish the level of actuarial funding for purposes of determining eligibility to impose the surtax.

## PENSION LIABILITY SURTAX

The county's governing body may only impose the surtax if the following five prerequisites are satisfied. First, an employee, including a police officer or firefighter, who enters employment on or after the date when the local government certifies that the defined benefit retirement plan or system formerly available to such an employee has been closed may not enroll in a defined benefit retirement plan or system that will receive surtax proceeds. Second, the local government and the collective bargaining representative for the members of the underfunded defined benefit retirement plan or system or, if there is no representative, a majority of the members of the plan or system, mutually consent to requiring each member to make an employee retirement contribution of at least 10 percent of each member's salary for each pay period beginning with the first pay period after the plan or system is closed. Third, the pension board of trustees for the underfunded defined benefit retirement plan or system, if such board exists, is prohibited from participating in the collective bargaining process and engaging in the determination of pension benefits. Fourth, the county currently levies a Local Government Infrastructure Surtax pursuant to s. 212.055(2), F.S., which is scheduled to terminate and is not subject to renewal. Fifth, the Pension Liability Surtax does not take effect until the Local Government Infrastructure Surtax is terminated.

The surtax can only be imposed by a county that currently levies a Local Government Infrastructure Surtax, which is scheduled to terminate and not subject to renewal. The county must then terminate the Local Government Infrastructure Surtax as a prerequisite to imposition of the Pension Liability Surtax. There are 27 counties levying a Local Government Infrastructure Surtax that are potentially eligible to levy the Pension Liability Surtax, assuming the other prerequisites are satisfied. During the 2025 calendar year, no county will be levying this surtax.

This surtax is one of several surtaxes subject to a combined rate limitation. A county eligible to levy this surtax cannot levy it along with the Local Government Infrastructure Surtax, Small County Surtax, Indigent Care and Trauma Center Surtax, and County Public Hospital Surtax in excess of a combined rate of 1 percent.

### DISPOSITION AND USES:

The surtax proceeds, less an administrative fee that may be retained by the Department of Revenue (DOR), are distributed back to the local government that generated the proceeds.

The surtax proceeds are to be used in the following manner. If the surtax proceeds have been actuarially recognized as provided in s. 112.64(6), F.S., the local government must distribute the proceeds to an eligible defined benefit retirement plan or system, not including the Florida Retirement System. However, if the surtax proceeds have not been actuarially recognized, the local government is authorized to distribute the proceeds to an eligible defined benefit retirement plan or system, not including the Florida Retirement System, to pledge the surtax proceeds to repay debts incurred for the purpose of making advanced payments toward the unfunded liability of an underfunded defined benefit retirement plan or system and to reimburse itself from the surtax proceeds for any borrowing costs associated with such debts.

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>



## SCHOOL CAPITAL OUTLAY SURTAX

FLORIDA STATUTES: Section 212.055(6)

ADMINISTERED BY: Department of Revenue

### SUMMARY:

Florida's school districts may authorize the levy of the School Capital Outlay Surtax at a rate of up to 0.5 percent pursuant to a resolution conditioned to take effect only upon voter approval in a countywide referendum. The proceeds must be expended for school-related capital projects, technology implementation, and bond financing of such projects. Thirty-one of 67 counties will be levying this surtax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	1,240,076,227	2.04%
2025-26*	1,215,303,745	-0.21%
2024-25	1,217,920,578	0.14%
2023-24	1,216,209,487	-1.52%
2022-23	1,235,041,746	7.53%
2021-22	1,148,513,820	34.32%
2020-21	855,082,583	11.98%

\* Estimate

### HISTORY:

Chapter 95-258, L.O.F. (SB 562), created the School Capital Outlay Surtax. It authorized district school boards to levy the surtax, pursuant to resolution conditioned to take effect only upon approval by a majority vote in a countywide referendum, at a rate of up to 0.5 percent. The surtax proceeds were to be expended for school-related capital projects, technology implementation, and bond financing of such projects; however, the proceeds and any accrued interest could not be used for operational expenses. Any school board imposing the surtax was required to implement a freeze on non-capital local school property taxes, at the millage rate imposed in the year prior to surtax implementation, for a period of at least three years from the imposition date.

Chapter 2005-56, L.O.F. (SB 388), provided that a required freeze on certain taxes does not apply to taxes authorized in the General Appropriations Act.

Chapter 2010-154, L.O.F. (HB 5101), deleted the requirement that a district school board imposing the school capital outlay surtax implement a freeze on non-capital local school property taxes. Chapter 2019-64, L.O.F. (CS/CS/HB 5), amended s. 212.055, F.S., to require, effective January 1, 2020, that any referendum to adopt or amend a local discretionary sales surtax be held at a general election, which is defined in s. 97.021, F.S., to mean an election held on the first Tuesday after the first Monday in November in the even-numbered years. Upon adoption of an ordinance or a resolution by a county or school district to hold a local discretionary sales surtax referendum on or after January 1, 2020, the legislation required the county or school district to provide the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) with a copy of the final ordinance or resolution calling for the referendum at least 180 days before the referendum is held. Additionally, the legislation maintained the requirement that OPPAGA select and pay for a certified public accountant to conduct a performance audit of the program associated with the proposed surtax and the requirement that the performance audit be completed and made available on the county or school district website at least

## SCHOOL CAPITAL OUTLAY SURTAX

60 days prior to the referendum. OPPAGA is required to procure the certified public accountant to conduct the performance audit within 60 days of receiving the final resolution or ordinance. Furthermore, the legislation declared void any local discretionary sales surtax referendum if the county or school district failed to provide notice to OPPAGA or failed to publish the results of the performance audit on its website at least 60 days before the referendum was held.

Chapter 2020-10, L.O.F. (CS/HB 7097), required that surtax levies authorized on or after July 1, 2020, must be shared with eligible charter schools based on their proportionate share of the total school district enrollment. Chapter 2022-97, L.O.F. (CS/HB 7071), expanded the authorized uses to include any purchase, lease-purchase, lease, or maintenance of school buses, as defined in s. 1006.25, F.S., which have a life expectancy of 5 years or more. These additional uses may apply to a surtax in effect on the date this act became law only to the extent such use was authorized in the original referendum adopting the surtax or is authorized pursuant to a subsequent resolution conditioned to take effect only upon approval of a majority vote of the county's electors voting in a referendum. Chapter 2023-69, L.O.F. (CS/CS/HB 1259), required that surtax revenues shared with charter schools shall be shared based on their proportionate share of total school district capital outlay full-time equivalent enrollment as adopted by the education estimating conference established in s. 216.136, F.S., and expended by the charter school in a manner consistent with the allowable uses set forth in s. 1013.62(4), F.S. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact a local discretionary sales surtax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring surtax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted surtax. Such a referendum may appear on the ballot only once within the 48-month period.

### IMPOSITION AND RATE:

District school boards may levy, pursuant to a resolution conditioned to take effect only upon voter approval in a countywide referendum, this surtax at a rate of up to 0.5 percent. The resolution shall set forth a plan for use of the surtax proceeds in accordance with authorized uses.

All 67 counties are eligible to levy this surtax, and thirty-one counties will be levying at the 0.5 percent rate. In addition to the Charter County and Regional Transportation System Surtax and Emergency Fire Rescue Services and Facilities Surtax, this surtax is not subject to a combined rate limitation that impacts the other discretionary sales surtaxes.

### DISPOSITION AND USES:

The surtax revenues collected by the Department of Revenue shall be distributed to the school board imposing the surtax. The surtax proceeds shall be used to fund fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of five or more years, as well as any related land acquisition, land improvement, design and engineering costs. Additionally, the proceeds shall be used to fund the costs of retrofitting and providing for technology implementation, including hardware and software, for the various sites within the school district. The proceeds may be used for the purpose of servicing bonded indebtedness used to finance authorized projects, and any accrued interest may be held in trust to finance such projects. However, the surtax proceeds and any accrued interest shall not be used for operational expenses.

Surtax revenues shared with charter schools shall be shared based on their proportionate share of total school district capital outlay full-time equivalent enrollment as adopted by the education estimating conference established in s. 216.136, F.S., and expended by the charter school in a manner consistent with the allowable uses set forth in s. 1013.62(4), F.S. All revenues and expenditures must be accounted for in a charter school's monthly or quarterly financial statement pursuant to s. 1002.33(9), F.S. The charter school's eligibility to receive surtax funds shall be determined in accordance with s. 1013.62(1), F.S. If a

## SCHOOL CAPITAL OUTLAY SURTAX

school's charter is not renewed or is terminated and the school is dissolved under the provisions of law under which it was organized, any unencumbered surtax funds revert to the sponsor.

### ADDITIONAL INFORMATION:

A more detailed description of this surtax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

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## **LOCAL MOTOR FUEL AND DIESEL FUEL TAXES**



2025 Federal, State, and County Tax Rates on Motor Fuel and Diesel Fuel in Florida's Counties

Motor Fuel Tax Rates (# of Cents Per Gallon)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Federal										State										County (Local Option)										Unutilized County-Imposed										Diesel Fuel Tax Rates (# of Cents Per Gallon)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
Fuel Excise Tax			Fuel Sales Tax			SCETS Tax			Constit. Fuel Tax			County Fuel Tax			Municipal Fuel Tax			Ninth-cent Fuel Tax			1-6 Cents Fuel Tax			1-5 Cents Fuel Tax			Total Tax			Ninth-cent Fuel Tax			1-6 Cents Fuel Tax			1-5 Cents Fuel Tax			Total Unutilized Tax			Federal			State			County (Local Option)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
County	Excise	Tax	Sales	Tax	SCETS	Fuel	Tax	County	Fuel	Tax	Municipal	Fuel	Tax	Ninth-cent	Fuel	Tax	1-6 Cents	Fuel	Tax	1-5 Cents	Fuel	Tax	Total	Ninth-cent	Fuel	Tax	1-6 Cents	Fuel	Tax	1-5 Cents	Fuel	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	Excise	Tax	

## 2025 Federal, State, and County Tax Rates on Motor Fuel and Diesel Fuel in Florida's Counties

County	Motor Fuel Tax Rates (# of Cents Per Gallon)										Unutilized County-Imposed						Diesel Fuel Tax Rates (# of Cents Per Gallon)						Total Tax							
	State					County (Local Option)					Motor Fuel Taxes						Federal			State				County (Local Option)						
	Fuel	Excise	Tax	Tax	Tax	Consist.	County	Municipal	Ninth-cent	1-6 Cents	1-5 Cents	Total	Ninth-cent	1-6 Cents	1-5 Cents	Total	Unutilized	Fuel	Excise	Tax	Fuel	Excise		Tax	Fuel	Excise	Tax	Fuel	Excise	Tax
	Fuel	Sales	SCETS	Tax	Tax	Fuel	Fuel	Fuel	Fuel	Fuel	Fuel	Tax	Fuel	Tax	Tax	Tax	Tax	Tax	Tax	Tax	Tax	Tax		Tax	Tax	Tax	Tax	Tax	Tax	Tax

Notes:

- 1) Federal taxes on motor and diesel fuels are authorized pursuant to Title 26, United States Code.
- 2) State taxes on motor fuel consist of the Fuel Sales Tax, pursuant to s. 206.41(1)(g), F.S.; the State Comprehensive Enhanced Transportation System (SCETS) Tax, pursuant to s. 206.41(1)(f), F.S.; the Constitutional Fuel Tax, pursuant to s. 206.41(1)(a), F.S.; the County Fuel Tax, pursuant to s. 206.41(1)(b), F.S.; and the Municipal Fuel Tax, pursuant to s. 206.41(1)(c), F.S. The Municipal Fuel Tax is one of the revenue sources that fund the Municipal Revenue Sharing Program. This table excludes the state inspection fee of \$0.00125 per gallon imposed on motor fuel.
- 3) County/local option taxes on motor fuel consist of the 1 cent Ninth-cent Fuel Tax, pursuant to s. 206.41(1)(d), F.S.; the 1 to 6 cents of Local Option Fuel Tax, pursuant to s. 206.41(1)(e), F.S.
- 4) State taxes on diesel fuel consist of the Fuel Sales Tax, pursuant to s. 206.87(1)(e), F.S.; the State Comprehensive Enhanced Transportation System (SCETS) Tax, pursuant to s. 206.87(1)(d), F.S.; and the Fuel Excise Tax, pursuant to s. 206.41(1)(a), F.S.
- 5) County taxes on diesel fuel for local use consist of the 1 cent Ninth-cent Fuel Tax, pursuant to s. 206.87(1)(b), F.S.; and 1 to 6 cents of Local Option Fuel Tax, pursuant to s. 206.87(1)(c), F.S. The 1 to 5 cents Local Option Fuel Tax is not authorized for levy on diesel fuel.
- 6) County/local option tax rate changes for 2025: Jackson County will levy the 1-5 Cents Fuel Tax at the maximum rate of 5 cents.
- 7) For a list of transportation funding sources, please refer to the Florida Department of Transportation's "Florida's Transportation Tax Sources: A Primer".

Data Sources:

- 1) Florida Department of Revenue, "2025 Florida Fuel Tax, Collection Allowance, Refund, and Pollutants Tax Rates" available at [https://floridarevenue.com/taxes/Documents/fuel\\_chart%24B05-05\\_chart.pdf](https://floridarevenue.com/taxes/Documents/fuel_chart%24B05-05_chart.pdf)
- 2) Florida Department of Transportation, Office of Work Program and Budget, "Florida's Transportation Tax Sources - A Primer (2024)" available at <https://fdotwp1.dot.state.fl.us/FMSupportApps/Documents/prar/Primer.pdf>.



## NINTH-CENT FUEL TAX

FLORIDA STATUTES: Sections 206.41(1)(d), 206.87(1)(b), and 336.021

ADMINISTERED BY: Department of Revenue

### SUMMARY:

The Ninth-Cent Fuel Tax is a local option tax of 1 cent on every net gallon of motor and diesel fuel sold within a county. The tax may be authorized by an ordinance adopted by an extraordinary vote of the governing body or voter approval in a countywide referendum. Generally, the tax proceeds may be used to fund transportation expenditures. Since January 1, 1994, the tax has been imposed on diesel fuel in every county as the result of statewide equalization. All counties are eligible to levy this tax on motor fuel, and 55 counties will be levying the tax during the 2025 calendar year.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	104,986,742	0.45%
2025-26*	104,516,418	0.73%
2024-25	103,758,977	0.73%
2023-24	103,007,026	-0.19%
2022-23	103,199,531	4.54%
2021-22	98,713,547	9.14%
2020-21	90,445,219	-0.24%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's (EDR) Local Government Data webpage under the heading of Local Option Tax Receipts via the following link:

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

### HISTORY:

Chapter 72-384, L.O.F., authorized county governments to levy a 1 cent per gallon tax on motor and special fuels subject to referendum approval. Chapter 77-390, L.O.F., allowed the county's governing body to limit the number of years that tax would be in effect and expanded the authorized uses of the tax proceeds.

Chapter 80-397, L.O.F., authorized the county and municipalities within the county's boundaries to negotiate a joint agreement for the purpose of allowing the tax proceeds to be used in both the incorporated and unincorporated areas of the county. Chapter 83-3, L.O.F., designated the name of this tax as the voted gas tax. Chapter 83-137, L.O.F., required official notification of the ordinance proposing the tax levy to be sent to the Department within 10 days after approval by the county's governing body and also 10 days after voter approval by referendum. Chapter 85-342, L.O.F., established a dealer collection allowance of three percent of the first \$1,000 of tax due and one percent of any remaining tax due. Chapter 87-99, L.O.F., specified the tax's effective date as 60 days after passage of the referendum.

Chapter 90-351, L.O.F. (SB 2984), required all counties to impose this tax on special fuel by January 1, 1994 (i.e., statewide equalization). Chapter 92-184, L.O.F. (HB 833), changed the system of motor fuel tax collections by requiring motor fuel taxpayers to report fuel purchases based on the net amount of fuel pumped from the loading rack rather than on the gross amount of fuel. Chapter 92-309, L.O.F. (HB 193-H), changed the name of this tax from voted gas tax to ninth-cent gas tax and authorized counties having a

## NINTH-CENT FUEL TAX

total population of 50,000 or less on April 1, 1992, to levy the tax by an extraordinary vote of the governing body. If enacted by this method, the tax proceeds could not be used to service bonded indebtedness. Chapter 93-206, L.O.F. (HB 2315), authorized any county to impose the tax by an extraordinary vote of the governing body, in addition to the existing method of voter approval in a countywide referendum. In addition, counties with a total population of 50,000 or less were no longer precluded from using these funds for bonding purposes. Chapter 94-146, L.O.F. (HB 1317), authorized the Department to deduct administrative costs from the tax proceeds and limited the deduction to 2 percent of total collections. The deduction would be phased-in over several fiscal years. Administrative costs would be prorated among the levying counties according to a formula based on each county's proportional share of active taxpayer accounts (weighted by two-thirds) and collections (weighted by one-third), and the formula would be revised on July 1<sup>st</sup> of each year. Chapter 95-417, L.O.F. (HB 1639), constituted a major rewrite of the state statutes dealing with state and local fuel tax implementation and administration in order to adopt fuel taxing procedures used by the federal government with the goals of reducing tax evasion and fraud and increasing administrative efficiency. References to gas tax and special fuel were changed to fuel tax and diesel fuel, respectively. The point of tax collection on diesel fuel was moved to the terminal rack. The point of tax collection of all local option and SCETS taxes on motor fuel was moved from collection by retailers to collection by wholesalers or terminal suppliers on deliveries to retail service stations and end users. The effective date for all local option fuel tax levies was changed from September 1<sup>st</sup> to January 1<sup>st</sup> of the following year. Chapter 95-428, L.O.F. (HB 2553), authorized any county having a total population of 10,000 or less on April 1, 1993, to transfer and use legally restricted fuel tax (including all local option fuel taxes) for unrestricted purposes for all fiscal years prior to and through 1994-95. Chapter 96-323, L.O.F. (SB 330), changed the procedure for the distribution of local option taxes collected on sales and use of diesel fuel. Chapter 97-54, L.O.F. (HB 81), provided a technical change to allow counties to correct expiration problems with local option fuel tax levies. Additionally, it authorized county and municipal governments to use the Ninth-Cent Fuel Tax proceeds to transportation expenditures as defined in s. 336.025(7), F.S., in order to allow the authorized uses for this tax and the 1-6 Cents Local Option Fuel Tax to be identical.

Chapter 2002-218, L.O.F. (SB 426), revised time limitations on impositions and rate changes for all local option fuel taxes. All impositions and rate changes were to be levied before July 1<sup>st</sup> of each year to be effective January 1<sup>st</sup> of the following year. All tax impositions and rescissions were required to end on December 31<sup>st</sup> of a year, and any rescission required a minimum 60 days' notice to the Department. Chapter 2003-254, L.O.F. (SB 1176), revised certain dates for purposes of qualifying new retail stations with respect to diesel fuel and required local option fuel taxes on motor fuel reported by wholesalers to be included in the distribution process. Additionally, it expanded the definition of transportation expenditures to include expenditures for sidewalks.

Chapter 2010-138, L.O.F. (HB 7157), authorized the Department to make distributions of the Ninth-Cent Fuel Tax collected on diesel fuel that more accurately reflect the current fuel market. Chapter 2012-174, L.O.F. (HB 599), revised time limitations on impositions and rate changes for all local option fuel taxes. All impositions and rate changes were to be levied before October 1<sup>st</sup> of each year to be effective January 1<sup>st</sup> of the following year. Additionally, the legislation incorporated the installation, operation, maintenance, and repair of street lighting, traffic signs, traffic engineering, signalization, and pavement markings as permitted uses of the tax proceeds.

Chapter 2022-214, L.O.F., (CS/CS/HB 777) required a referendum authorizing the levy of the tax to be held at a general election, as defined in s. 97.021, F.S. Chapter 2023-157, L.O.F (HB 7063), required a referendum to adopt, amend, or reenact the tax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period.

## NINTH-CENT FUEL TAX

### IMPOSITION AND RATE:

Any county government may levy a 1 cent per gallon tax on motor and diesel fuels sold in the county by extraordinary vote of the county's governing body or voter approval in a countywide referendum. Since January 1, 1994, this tax has been imposed on diesel fuel in every county as the result of statewide equalization. During the 2025 calendar year, 55 counties will be levying the tax on motor fuel.

All impositions of the tax shall be levied before October 1<sup>st</sup> to be effective January 1<sup>st</sup> of the following year. However, levies of the tax which were in effect on July 1, 2002, and which expire on August 31<sup>st</sup> of any year may be reimposed at the current authorized rate to be effective September 1<sup>st</sup> of the year of expiration. A decision to rescind the tax shall not take effect on any other date than December 31<sup>st</sup> and shall require a minimum of 60 days' notice to the Department of Revenue of such decision.

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

### DISPOSITION AND USES:

The Department of Revenue returns the proceeds to the county where the tax is levied. The county's governing body may provide by joint agreement with one or more of its respective municipalities for the authorized transportation purposes and the distribution of tax proceeds within both the incorporated and unincorporated areas of the county. However, the county is not required to share the tax proceeds with municipalities. Even if the county does not levy the tax on motor fuel, it still receives proceeds from the levy on diesel fuel. County and municipal governments may use the tax proceeds for transportation expenditures as defined in s. 336.025(7), F.S.

### OTHER STATES:

According to the American Petroleum Institute (API), a number of states have local option fuel taxes. A listing of those states can be found in the API's report entitled *State Gasoline Tax Reports* via the following link:

<http://www.api.org/oil-and-natural-gas/consumer-information/motor-fuel-taxes>

### ADDITIONAL INFORMATION:

Annual tax distributions by county can be found on the EDR's Local Government Data webpage under the heading of Local Option Fuel Taxes via the following link:

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

# 1 TO 6 CENTS LOCAL OPTION FUEL TAX

FLORIDA STATUTES: Sections 206.41(1)(e), 206.87(1)(c), and 336.025(1)(a)

ADMINISTERED BY: Department of Revenue

## SUMMARY:

Local governments are authorized to levy a tax of 1 to 6 cents on every net gallon of motor fuel sold in a county. The tax is imposed on diesel fuel in each county at the maximum rate of 6 cents per gallon. The tax on motor fuel may be authorized by an ordinance adopted by a majority vote of the governing body or voter approval in a countywide referendum. Generally, the proceeds may be used to fund transportation expenditures. Since 1993, the tax has been imposed on diesel fuel in every county at the maximum rate of 6 cents per gallon as the result of statewide equalization. All counties are eligible to levy this tax on motor fuel and will be levying the tax during the 2025 calendar year.

## REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	661,479,701	0.45%
2025-26*	658,516,377	0.73%
2024-25	653,744,046	4.05%
2023-24	628,309,099	-3.04%
2022-23	648,034,546	1.52%
2021-22	638,331,177	7.56%
2020-21	593,457,875	-0.51%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link: <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

## HISTORY:

Chapter 83-3, L.O.F., authorized county governments to levy a local option gas tax of up to 4 cents per gallon on motor and special fuels. Chapter 83-339, L.O.F., increased the General Revenue Service Charge on the Local Option Gas Tax Trust Fund from 4 to 6 percent. Chapter 84-369, L.O.F., required a certified copy of the interlocal agreement establishing the distribution of the tax proceeds be sent to the Department. Chapter 85-180, L.O.F., increased the rate at which the tax could be levied by 2 cents. Chapter 85-342, L.O.F., established a dealer collection allowance of three percent of the first \$1,000 of tax due and one percent of any remaining tax due. Chapter 86-152, L.O.F., changed the requirements for authorizing the levy of optional gas tax and those regarding interlocal agreements and distribution of tax proceeds. Chapter 86-243, L.O.F., allowed for the entire proceeds to be pledged toward bonds.

Chapters 90-110 and 90-132, L.O.F. (HB 149 and HB 3695), had the combined effect of increasing the General Revenue Service Charge on the Local Option Gas Tax Trust Fund from 6 to 7.3 percent. Chapter 90-351, L.O.F. (SB 2984), equalized the tax rate on special fuel in all counties at 4 cents in 1991, 5 cents in 1992, and 6 cents in 1993. Chapter 92-184, L.O.F. (HB 833), changed the system of motor fuel tax collections by requiring motor fuel taxpayers to report fuel purchases based on the net amount of fuel pumped from the loading rack rather than on the gross amount of fuel. Chapter 92-309, L.O.F. (HB 193-H), authorized counties having a total population of 50,000 or less on April 1, 1992, to use the tax proceeds to fund infrastructure projects if designated projects were consistent with the local government's approved comprehensive plan and all transportation needs as identified in the comprehensive plan had

## 1 TO 6 CENTS LOCAL OPTION FUEL TAX

been met. Chapter 93-164, L.O.F. (SB 1328), authorized local governments to use the tax proceeds to fund the costs of structures used for the storage and maintenance of road equipment. Chapter 93-222, L.O.F. (HB 729), modified the definition of infrastructure to include official emergency responder vehicles, which expanded the uses to which small counties could use the tax proceeds. Chapter 94-146, L.O.F. (HB 1317), authorized the Department to deduct administrative costs from the tax proceeds and limited the deduction to 2 percent of total collections. The deduction would be phased-in over several fiscal years. Administrative costs would be prorated among the levying counties according to a formula based on each county's proportional share of active taxpayer accounts (weighted by two-thirds) and collections (weighted by one-third), and the formula would be revised on July 1<sup>st</sup> of each year. Chapter 94-237, L.O.F. (SB 2156), provided for biennial review and public hearing requirements by local governments of the distribution method for local option gas tax proceeds specified in interlocal agreements. Chapter 95-257, L.O.F. (SB 510), provided that interlocal agreements that included provision for automatic adjustment of the revenue distribution were not subject to biennial review and public hearing requirements. Chapter 95-343, L.O.F. (HB 1919), authorized any county having a total population of 50,000 or less on April 1, 1992, and subject to a court-ordered refund of special assessments to use the proceeds of up to 4 cents of gas tax to finance the refund. (Note: Legislation provided Madison County with a source of funds to finance a court-ordered refund of \$2.2 million in special assessments.)

Chapter 95-417, L.O.F. (HB 1639), constituted a major rewrite of the state statutes dealing with state and local fuel tax implementation and administration in order to adopt fuel taxing procedures used by the federal government with the goals of reducing tax evasion and fraud and increasing administrative efficiency. References to gas tax and special fuel were changed to fuel tax and diesel fuel, respectively. The point of tax collection on diesel fuel was moved to the terminal rack. The point of tax collection of all local option and SCETS taxes on motor fuel was moved from collection by retailers to collection by wholesalers or terminal suppliers on deliveries to retail service stations and end users. The effective date for all local option fuel tax levies was changed from September 1<sup>st</sup> to January 1<sup>st</sup> of the following year. Chapter 95-428, L.O.F. (HB 2553), authorized any county having a total population of 10,000 or less on April 1, 1993, to transfer and use legally restricted fuel tax (including all local option fuel taxes) for unrestricted purposes for all fiscal years prior to and through 1994-95. Chapter 96-323, L.O.F. (SB 330), authorized any inland county with a population greater than 500,000 as of July 1, 1996, and an interlocal agreement with one or more municipalities within the county, to utilize the most recent official population estimates for dividing the fuel tax proceeds. (Note: At the time of enactment, Orange County was the only county eligible to use this new authority.) Additionally, it changed the procedure for the distribution of local option taxes collected on sales and use of diesel fuel. Chapter 97-54, L.O.F. (HB 81), provided a technical change to allow counties to correct expiration problems with local option fuel tax levies.

Chapter 2002-20, L.O.F. (HB 261), amended s. 339.12, F.S., to provide that any county with a population greater than 50,000 that levies the full 6 cents of fuel tax for improvements to the state transportation system or local projects directly upgrading the state transportation system within the county's boundaries shall receive preference for receipt of any transportation grant for which the county applies. Chapter 2002-218, L.O.F. (SB 426), revised time limitations on impositions and rate changes for all local option fuel taxes. All impositions and rate changes were to be levied before July 1<sup>st</sup> of each year to be effective January 1<sup>st</sup> of the following year. All tax impositions and rescissions were required to end on December 31<sup>st</sup> of a year, and any rescission required a minimum 60 days notice to the Department. Chapter 2003-86, L.O.F. (HB 1813), expanded the definition of transportation expenditures to include expenditures for sidewalks and authorized municipalities in certain less-populated counties to expend the proceeds for additional uses. Chapter 2003-254, L.O.F. (SB 1176), revised certain dates for purposes of qualifying new retail stations with respect to diesel fuel and required local option fuel taxes on motor fuel reported by wholesalers to be included in the distribution process. Additionally, it expanded the definition of transportation expenditures to include expenditures for sidewalks. Chapter 2007-196, L.O.F. (HB 985),

## 1 TO 6 CENTS LOCAL OPTION FUEL TAX

deleted a provision prohibiting counties and municipalities from issuing bonds more than once each year pledging the tax proceeds.

Chapter 2012-174, L.O.F. (HB 599), revised time limitations on impositions and rate changes for all local option fuel taxes. All impositions and rate changes were to be levied before October 1<sup>st</sup> of each year to be effective January 1<sup>st</sup> of the following year. Additionally, the legislation incorporated the installation, operation, maintenance, and repair of street lighting, traffic signs, traffic engineering, signalization, and pavement markings as permitted uses of the tax proceeds.

Chapter 2022-214, L.O.F., (CS/CS/HB 777) required a referendum authorizing the levy of the tax to be held at a general election, as defined in s. 97.021, F.S. Chapter 2023-157, L.O.F (HB 7063), required a referendum to adopt, amend, or reenact the tax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period.

### IMPOSITION AND RATE:

Any county government may levy 1 to 6 cents per gallon tax on motor fuel sold in the county by majority vote of the county's governing body or voter approval in a countywide referendum. In lieu of action by the county, municipal governments within the county can adopt uniform resolutions to initiate a countywide referendum. Since 1993, this tax has been imposed on diesel fuel at the rate of 6 cents per gallon in every county as the result of statewide equalization. During the 2025 calendar year, all counties will be levying the tax on motor fuel at the maximum rate of 6 cents per gallon.

All impositions and rate changes shall be levied before October 1<sup>st</sup> to be effective January 1<sup>st</sup> of the following year for a period not to exceed 30 years. However, levies of the tax which were in effect on July 1, 2002, and which expire on August 31<sup>st</sup> of any year may be reimposed at the current authorized rate to be effective September 1<sup>st</sup> of the year of expiration. A decision to rescind the tax shall not take effect on any other date than December 31<sup>st</sup> and shall require a minimum of 60 days' notice to the Department of Revenue of such decision.

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

### DISPOSITION AND USES:

The Department shall distribute the tax proceeds according to the distribution factors determined at the local level by interlocal agreement between the county and municipalities within the county's boundaries. If no interlocal agreement has been established, then the distribution shall be based on the transportation expenditures of each local government for the immediately preceding 5 fiscal years, as a proportion of the total of such expenditures for the county and all municipalities within the county. These proportions shall be recalculated every 10 years based on the transportation expenditures of the immediately preceding 5 years.

County and municipal governments may use the tax proceeds for transportation expenditures as defined in s. 336.025(7), F.S. Small counties, which are defined as having a total population of 50,000 or less on April 1, 1992, and municipalities within such counties are authorized to use the proceeds to fund infrastructure projects, if such projects are consistent with the local government's approved comprehensive plan. Except as provided for in s. 336.025(7), F.S., such funds shall not be used for the operational expenses of any infrastructure.

## 1 TO 6 CENTS LOCAL OPTION FUEL TAX

### OTHER STATES:

According to the American Petroleum Institute (API), a number of states have local option fuel taxes. A listing of those states can be found in the API's report entitled *State Gasoline Tax Reports* via the following link:

<http://www.api.org/oil-and-natural-gas/consumer-information/motor-fuel-taxes>

### ADDITIONAL INFORMATION:

Annual tax distributions by county can be found on the EDR's Local Government Data webpage under the heading of Local Option Fuel Taxes via the following link:

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

# 1 TO 5 CENTS LOCAL OPTION FUEL TAX

FLORIDA STATUTES: Sections 206.41(1)(e) and 336.025(1)(b)

ADMINISTERED BY: Department of Revenue

## SUMMARY:

County governments are authorized to levy a tax of 1 to 5 cents upon every net gallon of motor fuel sold within a county. Diesel fuel is not subject to this tax. This tax shall be levied by an ordinance adopted by a majority plus one vote of the county's governing body or voter approval in a countywide referendum. Generally, the tax proceeds may be used for transportation expenditures needed to meet the requirements of the capital improvements element of an adopted local government comprehensive plan. All counties are eligible to levy this tax on motor fuel, and 38 counties will be levying the tax during the 2025 calendar year.

## REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	306,557,373	0.45%
2025-26*	305,184,045	0.73%
2024-25	302,972,347	0.48%
2023-24	301,510,277	-0.05%
2022-23	301,657,086	6.57%
2021-22	283,049,736	21.74%
2020-21	232,506,412	-8.14%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link: <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

## HISTORY:

Chapter 93-206, L.O.F. (HB 2315), authorized county governments to impose a tax of 1 to 5 cents per gallon of motor fuel sold at the retail level within the county. Chapter 94-146, L.O.F. (HB 1317), authorized the Department to deduct administrative costs from the tax proceeds and limited the deduction to 2 percent of total collections. The deduction would be phased-in over several fiscal years. Administrative costs would be prorated among the levying counties according to a formula based on each county's proportional share of active taxpayer accounts (weighted by two-thirds) and collections (weighted by one-third), and the formula would be revised on July 1<sup>st</sup> of each year. Chapter 94-237, L.O.F. (SB 2156), provided for biennial review and public hearing requirements by local governments of the distribution method for local option gas tax proceeds specified in interlocal agreements. Chapter 95-257, L.O.F. (SB 510), provided that interlocal agreements that included provision for automatic adjustment of the revenue distribution were not subject to biennial review and public hearing requirements. Chapter 95-417, L.O.F. (HB 1639), constituted a major rewrite of the state statutes dealing with state and local fuel tax implementation and administration in order to adopt fuel taxing procedures used by the federal government with the goals of reducing tax evasion and fraud and increasing administrative efficiency. References to gas tax and special fuel were changed to fuel tax and diesel fuel, respectively. The point of tax collection on diesel fuel was moved to the terminal rack. The point of tax collection of all local option and SCETS taxes on motor fuel was moved from collection by retailers to collection by wholesalers or terminal suppliers on deliveries to retail service stations and end users. The effective date for all local option fuel tax levies was changed from September 1<sup>st</sup> to January 1<sup>st</sup> of the



## 1 TO 5 CENTS LOCAL OPTION FUEL TAX

following year. Chapter 95-428, L.O.F. (HB 2553), authorized any county having a total population of 10,000 or less on April 1, 1993, to transfer and use legally restricted fuel tax (including all local option fuel taxes) for unrestricted purposes for all fiscal years prior to and through 1994-95. Chapter 96-323, L.O.F. (SB 330), changed the procedure for the distribution of local option taxes collected on sales and use of diesel fuel. Chapter 97-54, L.O.F. (HB 81), provided a technical change to allow counties to correct expiration problems with local option fuel tax levies. Additionally, it authorized county and municipal governments to include additional projects, such as the construction of new roads and reconstruction or resurfacing of existing paved roads, in the capital improvements element of an adopted comprehensive plan thereby expanding the authorized uses on the tax proceeds.

Chapter 2000-266, L.O.F. (SB 772), authorized the tax proceeds to be used for the paving of existing graded roads when undertaken in part to relieve or mitigate existing or potential adverse environmental impacts. Chapter 2001-201, L.O.F. (HB 1225), provided that the relief or mitigation of existing or potential adverse environmental impacts was no longer a condition for using tax proceeds to pave existing graded roads. Chapter 2002-218, L.O.F. (SB 426), revised time limitations on impositions and rate changes for all local option fuel taxes. All impositions and rate changes were to be levied before July 1<sup>st</sup> of each year to be effective January 1<sup>st</sup> of the following year. All tax impositions and rescissions were required to end on December 31<sup>st</sup> of a year, and any rescission required a minimum 60 days notice to the Department. Chapters 2003-86 and 2003-254, L.O.F. (HB 1813 and SB 1176), expanded the authorized uses to include expenditures needed to meet immediate local transportation problems and for other transportation-related expenditures critical for building comprehensive roadway networks. Chapter 2007-196, L.O.F. (HB 985), deleted a provision prohibiting counties and municipalities from issuing bonds more than once each year pledging the tax proceeds.

Chapter 2012-174, L.O.F. (HB 599), revised time limitations on impositions and rate changes for all local option fuel taxes. All impositions and rate changes were to be levied before October 1<sup>st</sup> of each year to be effective January 1<sup>st</sup> of the following year. Additionally, the legislation incorporated the installation, operation, maintenance, and repair of street lighting, traffic signs, traffic engineering, signalization, and pavement markings as permitted uses of the tax proceeds.

Chapter 2022-214, L.O.F., (CS/CS/HB 777) required a referendum authorizing the levy of the tax to be held at a general election, as defined in s. 97.021, F.S. Chapter 2023-157, L.O.F (HB 7063), required a referendum to adopt, amend, or reenact the tax to be held at a general election as defined in s. 97.021, F.S. A referendum to reenact an expiring tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period.

### IMPOSITION AND RATE:

Any county government may levy 1 to 5 cents per gallon tax on motor fuel sold in the county by majority plus one vote of the county's governing body or voter approval in a countywide referendum. Diesel fuel is not subject to this tax. During the 2025 calendar year, 34 counties will be levying the tax on motor fuel at the maximum rate of 5 cents per gallon, 1 county will be levying at 4 cents, 2 counties will be levying at 3 cents, and 1 county will be levying at 2 cents.

All impositions and rate changes shall be levied before October 1<sup>st</sup> to be effective January 1<sup>st</sup> of the following year for a period not to exceed 30 years. However, levies of the tax which were in effect on July 1, 2002, and which expire on August 31<sup>st</sup> of any year may be reimposed at the current authorized rate to be effective September 1<sup>st</sup> of the year of expiration. A decision to rescind the tax shall not take effect on any other date than December 31<sup>st</sup> and shall require a minimum of 60 days' notice to the Department of Revenue of such decision.

## 1 TO 5 CENTS LOCAL OPTION FUEL TAX

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

### DISPOSITION AND USES:

The tax proceeds shall be distributed by the Department according to the distribution factors determined at the local level by interlocal agreement between the county and municipalities within the county's boundaries. If no interlocal agreement is established, then the distribution shall be based on the transportation expenditures of each local government for the immediately preceding five fiscal years as a proportion of the total of such expenditures for the county and all municipalities within the county.

The tax proceeds shall be used for transportation expenditures needed to meet the requirements of the capital improvements element of an adopted comprehensive plan or for expenditures needed to meet immediate local transportation problems and for other transportation-related expenditures that are critical for building comprehensive roadway networks by local governments. Expenditures for the construction of new roads, the reconstruction or resurfacing of existing paved roads, or the paving of existing graded roads shall be deemed to increase capacity and such projects shall be included in the capital improvements element of an adopted comprehensive plan. Routine maintenance of roads is not considered an authorized expenditure.

### OTHER STATES:

According to the American Petroleum Institute (API), a number of states have local option fuel taxes. A listing of those states can be found in the API's report entitled *State Gasoline Tax Reports* via the following link:

<http://www.api.org/oil-and-natural-gas/consumer-information/motor-fuel-taxes>

### ADDITIONAL INFORMATION:

Annual tax distributions by county can be found on the EDR's Local Government Data webpage under the heading of Local Option Fuel Taxes via the following link:

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimated revenue distributions to county and municipal governments can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link:

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## **LOCAL OPTION FOOD AND BEVERAGE TAXES**



## LOCAL OPTION FOOD AND BEVERAGE TAX

FLORIDA STATUTES: Section 212.0306(1)(b)

ADMINISTERED BY: Self-administered by Miami-Dade County

### SUMMARY:

Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] may impose a 1 percent tax on the sale of food, beverages, and alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels. Not less than 15 percent of the tax proceeds shall be used for construction and operation of domestic violence centers. The remainder shall be used for programs to assist the homeless or those about to become homeless. Miami-Dade County levies this tax.

### REVENUE:

Because the tax is self-administered, the following revenue figures were obtained from current and prior years' county budget documents.

Fiscal Year	Total Collections	Annual Change %
2025-26*	47,400,000	-2.6%
2024-25*	48,677,000	10.4%
2023-24	44,091,000	3.4%
2022-23	42,636,472	6.4%
2021-22	40,089,598	35.7%
2020-21	29,536,394	35.7%
2019-20	21,761,086	-25.9%

\* Estimate

### HISTORY:

Chapter 93-233, L.O.F. (HB 557), authorized any county, as defined in s. 125.011(1), F.S., to impose a 1 percent tax on food, beverages, and alcoholic beverages sold in county establishments, except hotels and motels, having a state-issued alcoholic beverage license for on-premises consumption. For the first 12 months of levy, the proceeds were to be used for programs to assist the homeless. Thereafter, a portion of the proceeds were to be made available for construction and operation of domestic violence centers with the remainder used for programs to assist the homeless or those about to become homeless. The county was required to self-administer the tax, and the tax was scheduled for repeal on October 1, 2008. Chapters 94-351 and 94-353, L.O.F. (HB 2509 and HB 2557), clarified that the tax was not to be applied to alcoholic beverages sold by the package for off-premises consumption. It revised an exemption related to establishments with gross annual revenues of \$400,000 or less and eliminated an exemption for sales in fraternal clubs licensed under s. 565.02(4), F.S. Additionally, it removed the October 1, 2008 repeal date.

Chapter 2023-157, L.O.F. (HB 7063), authorized the imposition of this 1 percent tax in a city or town that levies the Municipal Resort Tax (i.e., Bal Harbour, Surfside, and Miami Beach) if the levy is approved by referendum in the city or town at a general election as defined in s. 97.021, F.S. Any tax levied by such city or town takes effect on the first day of January following the general election in which the ordinance was approved. A referendum to reenact an expiring tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax, and the referendum may appear on the ballot only once within the 48-month period. Chapter 2024-158, L.O.F. (CS/HB 7073) clarified that in a referendum to adopt this 1 percent tax in a municipality that levies the Municipal Resort

## LOCAL OPTION FOOD AND BEVERAGE TAX

Tax, the ordinance must pass by a majority vote of the voters voting in the election, rather than by a majority of the registered voters.

### IMPOSITION AND RATE:

Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] may impose a 1 percent tax on the sale of food, beverages, and alcoholic beverages in establishments that are licensed by the state to sell alcoholic beverages for consumption on the premises, except for hotels and motels, pursuant to an ordinance adopted by a majority vote of the county's governing body. However, the tax does not apply to any alcoholic beverage sold by the package for off-premise consumption. Miami-Dade County is the only county that satisfies the statutory definition of s. 125.011(1), F.S., and therefore eligible to levy the tax.

This 1 percent tax may be imposed in a city or town that levies the Municipal Resort Tax (i.e., Bal Harbour, Surfside, and Miami Beach) if the levy is approved by referendum in the city or town at a general election as defined in s. 97.021, F.S. Any tax levied by such city or town takes effect on the first day of January following the general election in which the ordinance was approved. A referendum to reenact an expiring tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax, and the referendum may appear on the ballot only once within the 48-month period.

### DISPOSITION AND USES:

The county must locally administer the tax using the powers and duties enumerated for local administration of the tourist development tax. The tax proceeds shall be distributed by the county by the county pursuant to the guidelines provided in the approved plans for addressing homeless needs as well as the construction and operation of domestic violence centers. The county and its respective municipalities shall continue to contribute each year at least 85 percent of aggregate expenditures from the respective county or municipal general fund budget for county-operated or municipally-operated homeless shelter services at or above the average level of such expenditures in the two fiscal years preceding the levy date of this tax.

For the first 12 months of the levy, the proceeds shall be used by the county to assist persons who have become or are about to become homeless. These funds shall be made available for emergency homeless shelters, food, clothing, medical care, counseling, alcohol and drug abuse treatment, mental health treatment, employment and training, education, and housing. Thereafter, not less than 15 percent of the proceeds shall be made available for construction and operation of domestic violence centers. The remainder shall be used for programs to assist the homeless or those about to become homeless. In addition, the proceeds and accrued interest may be used as collateral, pledged, or hypothecated for authorized projects, including bonds issued in connection with such authorized projects.

### OTHER STATES:

Counties and/or municipalities in other states have established food and beverage taxes that are consumed on the premises including hotels and motels.

### ADDITIONAL INFORMATION:

A more detailed description of this tax in its present form can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link: <http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## LOCAL OPTION FOOD AND BEVERAGE TAX HOTEL/MOTEL

FLORIDA STATUTES: Section 212.0306(1)(a)

ADMINISTERED BY: Self-administered by Miami-Dade County

### SUMMARY:

Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] may impose a 2 percent tax on the sale of food, beverages, and alcoholic beverages in hotels and motels, pursuant to an ordinance adopted by a majority of the county's governing body. The proceeds shall be used for promoting the county and its constituent municipalities as a destination site for conventions, trade shows, and pleasure travel. Miami-Dade County levies this tax.

### REVENUE:

Because the tax is self-administered, the following revenue figures were obtained from current and prior years' county budget documents.

Fiscal Year	Total Collections	Annual Change %
2025-26*	10,938,000	-4.1%
2024-25*	11,400,000	2.8%
2023-24	11,088,000	0.9%
2022-23	10,993,916	17.1%
2021-22	9,387,008	83.2%
2020-21	5,124,141	-7.3%
2019-20	5,529,196	-34.5%

\* Estimate

### HISTORY:

Chapter 89-362, L.O.F., authorized any county, as defined in s. 125.011(1), F.S., to impose a 2 percent tax on the sale of food, beverages, or alcoholic beverages in hotels and motels for use in promoting the county and its constituent municipalities as destinations for conventions, trade shows, and pleasure travel. Chapter 93-233, L.O.F. (HB 557), amended and renumbered s. 125.0104(3)(n), F.S., as s. 212.0306, F.S., authorizing the continued levy of this tax and requiring the county to self-administer the tax. The tax was scheduled for repeal on October 1, 2008. Chapters 94-351 and 94-353, L.O.F. (HB 2509 and HB 2557), clarified that the tax was not to be applied to alcoholic beverages sold by the package for off-premises consumption. It revised an exemption related to establishments with gross annual revenues of \$400,000 or less and eliminated an exemption for sales in fraternal clubs licensed under s. 565.02(4), F.S. Additionally, it removed the October 1, 2008 repeal date.

### IMPOSITION AND RATE:

Any county, as defined in s. 125.011(1), F.S., [i.e., Miami-Dade County] may impose a 2 percent tax on the sale of food, beverages, and alcoholic beverages in hotels and motels, pursuant to an ordinance adopted by a majority vote of the county's governing body. Miami-Dade County is the only county that satisfies the statutory definition of s. 125.011(1), F.S., and therefore eligible to levy the tax.

### DISPOSITION AND USES:

The county must locally administer the tax using the powers and duties enumerated for local administration of the tourist development tax. The tax proceeds shall be distributed to a countywide convention and visitors' bureau, which by interlocal agreement and contract with the county has been given primary responsibility for tourist and convention promotion. If the county is not a party to such an

## **LOCAL OPTION FOOD AND BEVERAGE TAX HOTEL/MOTEL**

interlocal agreement or contract with a countywide convention and visitors' bureau, the county must spend the proceeds as specified in statute.

The tax proceeds shall be used to promote and advertise tourism in the state, nationally, and internationally; and fund convention bureaus, tourist bureaus, tourist information centers, and new bureaus as county agencies or by contract with the chambers of commerce or similar associations in the county.

### **OTHER STATES:**

Counties and/or municipalities in other states have established food and beverage taxes that are consumed on the premises including hotels and motels.

### **ADDITIONAL INFORMATION:**

A more detailed description of this tax in its present form can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link: <http://edr.state.fl.us/Content/local-government/reports/index.cfm>



## PUBLIC SERVICE TAX

FLORIDA STATUTES: Sections 166.231, 166.232, 166.233, 161.234, and 166.235, F.S.

ADMINISTERED BY: Municipalities and Charter Counties

### SUMMARY:

Municipalities and charter counties may levy by ordinance a public service tax on the purchase of electricity, metered natural gas, liquefied petroleum gas either metered or bottled, manufactured gas either metered or bottled, and water service. The tax is levied only upon purchases within the municipality or charter county's unincorporated area and cannot exceed 10 percent of the payments received by the seller of the taxable item. Services competitive with those listed above, as defined by ordinance, can be taxed on a comparable base at the same rates; however, the tax rate on fuel oil cannot exceed 4 cents per gallon. The tax proceeds are considered general revenue for the municipality or charter county.

### REVENUE:

#### MUNICIPALITIES

Fiscal Year	Total Collections	Annual Change (%)	Electricity	Water	Other**
2026-27*	1,325,679,547	-1.5%	1,087,160,956	182,060,592	56,457,998
2025-26*	1,345,896,454	2.9%	1,103,740,402	184,837,057	57,318,995
2024-25*	1,308,243,282	-3.0%	1,072,861,855	179,666,004	55,715,423
2023-24*	1,349,053,301	3.9%	1,106,329,264	185,270,598	57,453,439
2022-23	1,297,954,904	11.9%	1,064,424,580	178,253,062	55,277,262
2021-22	1,160,283,287	5.0%	940,524,690	162,558,153	57,200,445
2020-21	1,104,886,372	3.1%	894,820,661	158,248,664	51,817,047
2019-20	1,071,804,947	1.0%	869,788,247	153,044,064	48,972,636

#### CHARTER COUNTIES

Fiscal Year	Total Collections	Annual Change (%)	Electricity	Water	Other**
2026-27*	392,962,956	-1.5%	342,077,244	39,397,283	11,488,429
2025-26*	398,955,728	2.9%	347,293,998	39,998,101	11,663,630
2024-25*	387,794,432	-3.0%	337,578,004	38,879,103	11,337,325
2023-24*	399,891,493	3.9%	348,108,588	40,091,918	11,690,987
2022-23	384,744,712	4.0%	334,923,200	38,573,347	11,248,165
2021-22	369,830,849	9.1%	321,341,981	36,973,281	11,515,587
2020-21	338,896,367	1.9%	292,727,706	35,993,192	10,175,469
2019-20	332,694,637	2.8%	290,508,650	33,049,262	9,136,725

\* Estimate

\*\* Includes natural gas, propane gas, fuel oil, and kerosene.

### HISTORY:

On June 11, 1945, Chapter 22829, L.O.F., provided municipalities with the authority to tax public services. This tax, originally levied on electricity, metered or bottled gas, water service, and telephone and telegraph service, was called the municipal utility tax. In 1972, the Florida Supreme Court ruled that the Florida Constitution granted charter counties the authority to levy the municipal service tax. Specifically, the Court determined that charter counties have the "authority to levy any tax not inconsistent with

## PUBLIC SERVICE TAX

general or special law as is permitted municipalities." Volusia County v. Dickinson, 269 So.2d 9 (Fla. 1972) and McLeod v. Orange County, 19 Fla L. Weekly 5536 (Oct, 1994). Charter counties may levy the tax only within the respective county's unincorporated area.

In 1985, telecommunications services, rather than telephone services, were made taxable by municipalities. A municipality could tax local telecommunications services alone at up to 10 percent or up to 7 percent on local service plus intrastate long-distance service, which originated or terminated within the municipality and was billed to a person, telephone number or device, or telecommunications number or device within the municipality (s. 166.231(9), F.S.). Authority to levy a tax upon cable TV service was removed effective October 1, 1977, unless the tax was necessary to pay off bonds (s. 166.231(1), F.S.).

In 1978, municipalities were authorized to levy the tax on a physical unit basis, provided that upon conversion the effective tax rate for each type of service was preserved in the first year. Subsequently, rates may be amended by ordinance (s. 166.232, F.S.). In 1993, the municipalities were authorized to exempt metered or bottled gas or fuel oil used for agricultural purposes. In 1996, municipalities were authorized to exempt electricity and gas used directly in manufacturing. In 1997, the Legislature provided an exemption for Internet and similar computer on-line services by removing them from the definition of telecommunications services.

Chapter 2000-260, L.O.F. (SB 1338), rewrote Florida's communications tax laws by replacing the existing taxes imposed on telecommunications and cable television services with a statewide tax and local taxes to be administered by the Department of Revenue. Effective October 1, 2001, s. 166.231(9), F.S., was repealed to be replaced by the local communications services tax under s. 202.19, F.S. The law provided that rates would be set to replace revenue that would have been generated by the public service tax plus other sources of local revenue replaced by the new tax. Chapter 2001-140, L.O.F. (SB 1878), established the revenue-neutral local communications services tax and maximum allowable rates. Local governments adopted their communications services tax rates on July 15, 2001. Chapter 2005-287, L.O.F. (HB 1725), repealed the tax on substitute communications systems and provided that the Department would not assess this tax back to October 1, 2001, when the communications services tax was implemented. The law created a task force of experts in the areas of telecommunications policy, taxation, law, or technology to study implications of emerging technologies on Florida's communications services tax.

### BASE AND RATE:

Municipalities and charter counties may levy up to a 10 percent tax on purchases of electricity, metered natural gas, liquefied petroleum gas either metered or bottled, manufactured gas either metered or bottled, and water service. (s. 166.231(1), F.S.)

### DISPOSITION:

The tax is collected by the seller of the service from the purchaser at the time of payment for such service and remitted to the municipality or charter county imposing the tax as prescribed by local ordinance.

### OTHER STATES:

Information relating to other states that may have authorized local governments to impose a public service tax is not available.

### ADDITIONAL INFORMATION:

Taxing authorities are required to furnish information to the Department, including the services taxed, the tax rate applied to each service, and the effective date of the levy or repeal as well as other additional information. The Department maintains an online database, which is available via the following link:

<http://floridarevenue.com/taxes/governments/Pages/mpst.aspx>

## PUBLIC SERVICE TAX

Summaries of prior years' revenues, as reported by municipalities and charter counties in their respective Annual Financial Reports submitted to the Department of Financial Services, have been compiled by the Office of Economic and Demographic Research (EDR) and are available on the EDR's website via the following link: <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/m-r.cfm>.

	<u>2026-27</u> (millions)
<b>VALUE OF RATE CHANGE:</b>	
Many municipalities and charter counties levy utility taxes of 10 percent. Some jurisdictions that tax less than 10 percent do so on a sliding scale (e.g., 10 percent on the first \$25; 5 percent on the next \$50; and 2 percent thereafter. Many jurisdictions tax different services at different rates. Each municipality must be examined individually to arrive at an estimate of the value of a tax rate change. However, an overall change of 10 percent in current rates would have the following estimated impact on municipalities and charter counties.	\$171.9
<b>Fuel Adjustment Charges (s. 166.231(1)(b), F.S.)</b>	
All increases in the cost of utility services to the ultimate consumer resulting from an increase in the cost of fuel to the utility, subsequent to October 1, 1973, are exempt from taxation.	\$179.0
<b>Fuel Oil (s. 166.231(2), F.S.)</b>	
Fuel oil shall be taxed at a rate not to exceed 4 cents per gallon. For municipalities levying less than 10 percent on other services, the tax on fuel oil must be reduced proportionately.	\$0.4
<b>Government Purchases (s. 166.231(5), F.S.)</b>	
Purchases by the U.S. Government, the State of Florida, all counties, school districts, and municipalities in the state, and public bodies exempted by law or court order, are exempt from taxation.	Indeterminate
<b>Church Purchases (s. 166.231(5), F.S.)</b>	
Purchases of service by any recognized church in this state, for use exclusively for church purchases, are exempt from taxation.	Indeterminate
<b>Enterprise Zones (s. 166.231(8), F.S.)</b>	
From July 1, 1995 to December 31, 2015, municipalities may exempt not less than 50 percent of the tax imposed on purchasers of electricity located within enterprise zones. However, any qualified business that satisfied the requirements of s. 166.231(8), F.S., prior to December 31, 2015, shall be allowed the full benefit of the exemption as if the expiration had not occurred.	Indeterminate



**TOURIST AND CONVENTION DEVELOPMENT  
TAXES**



2025 Local Option Tourist / Food and Beverage / Tax Rates in Florida's Counties

Local Option Taxes on Transient Rental Transactions

Tourist Development Taxes  
s. 125.0104(3), F.S.

Convention Development Taxes  
s. 212.0305(4), F.S.

Local Option  
Food and Beverage Taxes  
s. 212.0306, F.S.

County	Original Tax (1 or 2%)		Additional Tax (1%)		Professional Sports Franchise Tax (up to 1%)		High Tourism Impact Tax (1%)		Additional Professional Sports Franchise Tax (up to 1%)		Tourist Impact Tax s. 125.0108, F.S. (1%)		Consolidated County Convention Tax (2%)		Charter County Convention Tax (3%)		Special District, & Subcounty Convention Tax (up to 3%)		Maximum Potential Tax Rate		Current Tax Rate		Unused Tax Rate		Food and Beverages in Hotels and Motels (2%)		Food and Beverages in Other Establishments (1%)	
Alachua *	2		1		1	1				1	1									5	5	3	0					
Baker *	2		1		1	1				1	1									5	3	2						
Bay *	2		1		1	1				1	1									6	5	1						
Bradford	2		1		1	1														5	4	1						
Brevard *	2		1		1	1				1	1									5	5	0						
Broward *	2		1		1	1				1	1									6	6	0						
Calhoun																				4	0	4						
Charlotte *	2		1		1	1				1	1									5	5	0						
Citrus	2		1		1	1				1	1									5	5	0						
Clay *	2		1		1	1				1	1									5	5	0						
Collier *	2		1		1	1				1	1									6	5	1						
Columbia	2		1		1	1				1	1									5	5	0						
DeSoto	2		1		1	1														5	3	2						
Dixie	2		1		1	1														5	3	2						
Duval *	2					1	1			1	1			2						6	6	0						
Escambia *	2		1		1	1				1	1									5	5	0						
Flagler *	2		1		1	1				1	1									5	5	0						
Franklin	2		1																	5	3	2						
Gadsden	2																			5	2	3						
Gilchrist	2		1																	5	3	2						
Glades	2																			5	2	3						
Gulf *	2		1			1	1			1	1									5	3	2						
Hamilton	2		1		1															5	5	0						
Hardee	2																			5	2	3						
Hendry	2		1																	5	3	2						
Hernando *	2		1		1	1				1	1									5	5	0						
Highlands	2		1		1	1				1	1									5	5	0						
Hillsborough *	2		1		1	1				1	1									6	6	0						
Holmes	2		1																	5	3	2						
Indian River *	2		1		1	1				1	1									5	5	0						
Jackson	2		1		1	1				1	1									5	5	0						
Jefferson	2		1																	5	3	2						
Lafayette																				4	0	4						
Lake *	2		1		1	1				1	1									5	4	1						
Lee *	2		1		1	1				1	1									6	5	1						
Leon *	2		1		1	1				1	1									5	5	0						
Levy	2		1																	5	4	1						
Liberty																				4	0	4						
Madison	2		1		1	1				1	1									5	5	0						
Manatee *	2		1		1	1				1	1									6	6	0						
Marion *	2		1		1	1				1	1									5	4	1						
Martin *	2		1		1	1				1	1									5	5	0						
Miami-Dade *	2					1	1									3				6	6	0				2	1	
Monroe *	2		1																	7	5	2						
Nassau *	2		1		1	1				1	1									5	5	0						
Okaloosa *	2		1		1	1				1	1									6	6	0						
Okeechobee	2		1																	5	3	2						
Orange *	2		1		1	1				1	1									6	6	0						
Osceola *	2		1		1	1				1	1									6	6	0						
Palm Beach *	2		1		1	1				1	1									6	6	0						
Pasco *	2		1		1	1				1	1									5	5	0						
Pinellas *	2		1		1	1				1	1									6	6	0						
Polk *	2		1		1	1				1	1									6	5	1						
Putnam *	2		1		1	1				1	1									5	4	1						
St. Johns *	2		1			1	1			1	1									5	5	0						

# 2025 Local Option Tourist / Food and Beverage / Tax Rates in Florida's Counties

## Local Option Taxes on Transient Rental Transactions

County	Tourist Development Taxes s. 125.0104(3), F.S.				Convention Development Taxes s. 212.0305(4), F.S.				Food and Beverage Taxes s. 212.0306, F.S.					
	Additional		Tourist Impact Tax		Consolidated County Convention Tax		Special District, Charter County Convention Tax		Maximum Potential Tax Rate		Current Tax Rate		Unutilized Tax Rate	
	Original Tax (1 or 2%)	Additional Tax (1%)	Professional Sports Franchise Tax (up to 1%)	High Tourism Impact Tax (1%)	Professional Sports Franchise Tax (up to 1%)	County Convention Tax (2%)	Charter County Convention Tax (3%)	Subcounty Convention Tax (up to 3%)	Maximum Potential Tax Rate	Current Tax Rate	Unutilized Tax Rate	Food and Beverages in Hotels and Motels Establishments (2%)	Food and Beverages in Other Establishments (1%)	

St. Lucie *	2	1	1		1				5	5	0		
Santa Rosa *	2	1	1		1				5	5	0		
Sarasota *	2	1	1	1	1				6	6	0		
Seminole *	2	1	1		1				5	5	0		
Sumter									4	0	4		
Suwannee *	2	1	1		1				5	3	2		
Taylor *	2	1	1		1				5	5	0		
Union									4	0	4		
Volusia *	2		1		1			3	6	6	0		
Wakulla	2	1	1		1				5	4	1		
Walton *	2	1	1	1					6	5	1		
Washington	2	1	1						5	3	2		
# Eligible to Levy:	67	59	67	15	65	1	1	1	67	67	1	1	1
# Levying:	62	56	46	11	37	1	1	1	62	62	1	1	1

### Notes:

1) County names followed by an asterick indicate those counties that self-administer these taxes, and boxed areas indicate those counties eligible to impose a particular tax.

2) Pursuant to s. 125.0104(3)(d), F.S., no county can levy the Additional Tax unless the county has imposed the Original Tax [i.e., s. 125.0104(3)(c), F.S.] for a minimum of three years prior to the effective date of the levy and imposition of the Additional Tax.

3) Pursuant to s. 125.0104(3)(b), F.S., no county authorized to levy a convention development tax pursuant to s. 212.0305, F.S., (i.e., Duval, Miami-Dade, and Volusia) is allowed to levy more than 2% of tourist development taxes. However, pursuant to s. 125.0104(3)(l), F.S., this prohibition does not apply to the levy of the Professional Sports Franchise Facility Tax. In addition, this prohibition does not apply in a county authorized to levy the Consolidated County Convention Development Tax if such county also levies the Additional Professional Sports Franchise Facility Tax, pursuant to s. 125.0104(3)(n), F.S. This exemption is applicable only to Duval County.

4) Pursuant to s. 125.0104(3)(n), F.S., only a county that has levied the Professional Sports Franchise Facility Tax [i.e., s. 125.0104(3)(l), F.S.] is eligible to levy the Additional Professional Sports Franchise Facility Tax. Consequently, the levy of the Professional Sports Franchise Facility Tax must occur prior to the levy of the Additional Professional Sports Franchise Facility Tax.

5) The county-wide tourist development tax rate for Miami-Dade County is 3% except within the municipal jurisdictions of Bal Harbour, Miami Beach, and Surfside, which are eligible to impose the Municipal Resort Tax.

6) The tourist development tax levies in Bay, Nassau, and Walton counties are less than countywide. In Okaloosa County, the rate is 6% within the Tourist Development Tax district, but 5% within the Expansion district.

7) In Santa Rosa County, the countywide tourist development tax rate is 2%. The rate in the special taxing district of Navarre Beach is 3%; however, the funds generated from this levy go to Escambia County pursuant to an agreement adopted when this area was transferred to Santa Rosa County by Escambia County.

8) Pursuant to s. 125.0104(3)(m), F.S., a county is considered to be a high tourism impact county after the Department of Revenue has certified to such county that the sales subject to the tax levied pursuant to this section exceeded \$600 million during the previous calendar year or were at least 18% of the county's total taxable sales under Ch. 212, F.S., where the sales subject to the tax levied pursuant to this section were a minimum of \$200 million. No county authorized to levy a Convention Development Tax shall be considered a high tourism impact county. Once a county qualifies as a high tourism impact county, it shall retain this designation for the period of the tax levy.

Data Source: Florida Department of Revenue's "History of Local Sales Tax and Current Rates" (Last Updated: March 1, 2025) available at <https://floridarevenue.com/taxes/Documents/HistorySalesTaxRates.pdf>.



# **1 OR 2 PERCENT TOURIST DEVELOPMENT TAX**

FLORIDA STATUTES: Section 125.0104(3)(c)

ADMINISTERED BY: Department of Revenue or self-administered by levying counties

## **SUMMARY:**

Section 125.0104, F.S., authorizes the levy of five separate local option taxes on rental charges subject to the transient rentals tax under s. 212.03, F.S., to be used in various ways to promote tourism within the county. Generally, the revenues from these levies may be used for capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance; however, the authorized uses vary according to the particular levy. No tourist development tax may be levied in any municipality imposing the Municipal Resort Tax authorized under Chapter 67-930, L.O.F., (i.e., Miami Beach, Bal Harbour and Surfside). There is a prohibition against any county levying a convention development tax from levying tourist development taxes at a rate of more than 2 percent; however, this prohibition does not apply to a county's levy of the Professional Sports Franchise Facility Tax and Duval County's levy of the Additional Professional Sports Franchise Facility Tax.

The 1 or 2 Percent Tourist Development Tax was the original of the five tourist development taxes authorized under s. 125.0104, F.S. If adopted, the rate must be either 1 or 2 percent. Under certain conditions, the tax may be levied in a sub-county area. The county ordinance levying the tax must be approved by a vote of the electors. Authorized uses are contained in s. 125.0104(5), F.S. Generally, such uses include the capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance, including the funding and refunding of revenue bonds.

## **REVENUE:**

Fiscal Year	Total Collections	Annual Change %
2026-27*	585,509,725	2.20%
2025-26*	572,905,798	-0.30%
2024-25	574,629,687	4.25%
2023-24	551,228,601	4.82%
2022-23	525,896,477	-9.73%
2021-22	582,581,235	72.53%
2020-21	337,666,440	1.87%

\* Estimate

Annual tourist development tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

## **HISTORY:**

Chapter 77-209, L.O.F., authorized any county subject to voter approval to levy a tourist development tax at the rate of 1 or 2 percent (i.e., the 1 or 2 Percent Tax). The proceeds were to be used to promote tourism, finance tourist-related facilities, or fund tourist promotion bureaus.

Chapter 87-175, L.O.F., gave levying counties the option of collecting and administering the tax at the local level and restricted self-administering counties from retaining more than 3 percent of total collections for administrative costs. Chapter 87-280, L.O.F., authorized counties with a total population of less than 500,000 to use the tax proceeds for museums, zoological parks, fishing piers, or nature centers.

## **1 OR 2 PERCENT TOURIST DEVELOPMENT TAX**

Chapters 92-175 and 92-204, L.O.F. (SB 2178 and HBs 147, 1551, and 1967), authorized any county to use the tax proceeds to fund museums, which was a use previously limited to those counties having a total population of less than 500,000. Additionally, it authorized a county to create a tourism promotion agency to undertake advertising and marketing research studies and provide booking and reservations services and created a joint legislative interim study committee to review current tourist-related tax issues and laws. Chapter 94-353, L.O.F. (HB 2557), clarified legislative intent regarding those transient rental transactions subject to tax. Chapter 95-133, L.O.F. (SB 1082), revised an exemption from public records requirements for county tourism promotion agencies. Chapter 95-360, L.O.F. (HB 485), authorized counties to use the tax proceeds for promotion of zoological parks.

Chapter 2000-312, L.O.F. (HB 509), authorized counties that self-administer the tax to use certified public accountants to perform those functions associated with self-administration. Chapter 2001-252, L.O.F. (SB 1132), authorized certain counties to continue using a tourist development tax after retirement of applicable bonds under certain circumstances. Chapter 2003-34, L.O.F. (SB 1162), increased the population threshold from 500,000 to 750,000 for eligible counties to expend the tax proceeds for optional uses. Chapter 2003-37, L.O.F. (SB 1566), limited the use of tax proceeds, which were specifically designated for beach improvement, maintenance, renourishment, restoration, and erosion control. Chapter 2003-78, L.O.F. (HB 533), made administrative changes pertaining to county tourism promotion agencies. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to referenda and local administration that had been scheduled for repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of tourist development taxes to short-term stays at timeshare resorts.

Chapter 2012-180, L.O.F. (HB 1015), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to publicly owned and operated aquariums, including acquisition, construction, maintenance, or promotion. Chapter 2013-168, L.O.F. (SB 336), authorized additional uses by allowing county governments to spent tax proceeds for purposes related to aquariums owned and operated by not-for-profit organizations and clarified the automatic expiration of the tax upon the retirement of all bonds issued to finance certain facilities. Chapter 2016-6, L.O.F., (CS/CS/SB 182) reenacted a public records exemption of trade secret information held by a county tourism promotion agency to conform to the definition of trade secret, which expressly includes financial information within the definition. This exemption protected financial information deemed to be a trade secret from public disclosure. Chapter 2016-220, L.O.F., (HB 7099) specified additional uses for tourist development tax revenues for certain coastal counties. The legislation provided that, under specified conditions, a county located adjacent to the Gulf of Mexico or the Atlantic Ocean, except a county that receives revenue from taxes levied pursuant to s. 125.0108, F.S., (i.e., the Tourist Impact Tax levied only by Monroe County) may use up to 10 percent of tourist development tax revenues to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), F.S., and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area, as long as such funds are not used to supplant pre-existing expenditures on such services. To receive reimbursement, a county must: 1) generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to s. 125.0104, F.S.; 2) have at least three municipalities; and 3) have an estimated population of less than 225,000, according to the most recent population estimate prepared pursuant to s. 186.901, F.S., excluding the inmate population. The board of county commissioners must, by majority vote, approve reimbursement upon receipt of a recommendation from the tourist development council. Chapter 2017-36, L.O.F., (HB 7109) expanded the authorized uses of tourist development tax revenues to include the acquisition, construction, extension, enlargement, remodel, repair, improvement, maintenance, operation, or promotion of auditoriums that are publicly owned and open to the public, but operated by an organization that is exempt from federal taxation under 26 U.S.C. s. 501(c)(3) and within the boundaries of the county or subcounty special taxing district in which the tax is levied. Chapter 2018-118, L.O.F., (CS/HB 7087) extended the current authorization to use tourist development tax revenues on such things as restoration and maintenance of beaches, inland

## **1 OR 2 PERCENT TOURIST DEVELOPMENT TAX**

lakes and rivers, to expressly include the same types of expenditures for channels, estuaries, and lagoons as well as the construction of beach groins. Additionally, the legislation allowed counties to use tax revenues in connection with developing or operating public facilities within the boundaries of the county or subcounty special taxing district in which the tax was levied if the public facilities were needed to increase tourist-related business activities in the county or subcounty special district and were recommended by the county tourist development council. Tax revenues may also be used for any related land acquisition, land improvement, design, and engineering costs and all other professional and related costs required to bring the public facilities into service. Finally, tax revenues can only be used for these authorized public facilities if several preconditions were satisfied.

Chapter 2020-10, L.O.F., (CS/HB 7097) increased a population limit from 750,000 to 950,000 for counties that may use certain tourist development tax revenues (i.e., 1 or 2 Percent Tax, Additional 1% Tax, and High Tourism Impact Tax) for certain uses. Chapter 2022-5, L.O.F., (SB 850) deleted statutory language relating to a public records exemption for a trade secret, as defined in s. 812.081, F.S., held by a county tourism promotion agency. The exemption was not reenacted by the Legislature and repealed on October 2, 2021. Chapter 2022-214, L.O.F., (CS/CS/HB 777) required a referendum authorizing the levy of this tax to be held at a general election, as defined in s. 97.021, F.S. Chapter 2023-157, L.O.F. (HB 7063) required a referendum to reenact this tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period. Additionally, the legislation allowed the continued use of these tax revenues for public safety purposes by certain counties located adjacent to the Gulf of Mexico or the Atlantic Ocean (i.e., Bay, Okaloosa, and Walton) by increasing the population threshold from 225,000 to 275,000. Furthermore, it allowed the use of funds for public safety purposes by fiscally constrained counties that border the Gulf of Mexico or Atlantic Ocean, which expands current eligibility to Dixie, Franklin, Gulf, Levy, Taylor, and Wakulla counties. Chapter 2025-8, L.O.F., (HB 575) updates provisions to reflect the name change from the Gulf of Mexico to the Gulf of America. Chapter 2025-208, L.O.F., (HB 7031) allows coastal fiscally constrained counties to use funds for certain capital improvements. Additionally, it allows all coastal counties to use funds for the provision of beach lifeguards certified by an approved entity.

### **IMPOSITION AND RATE:**

If levied, the rate must be either 1 or 2 percent. The tax is levied on all rental charges subject to the transient rental tax pursuant to s. 212.03, F.S. All counties are eligible to levy this tax, and 62 counties levy at the maximum rate of 2 percent.

### **DISPOSITION AND USES:**

In counties for which the tax is administered by the Department of Revenue, collections are returned monthly to the county levying the tax, less costs of administration, for use by the county in accordance with the provisions of s. 125.0104, F.S. In counties self-administering the tax pursuant to s. 125.0104(10), F.S., collections are retained by the county, less cost of administration not to exceed 3 percent, for use in accordance with the provisions of s. 125.0104, F.S.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

## **1 OR 2 PERCENT TOURIST DEVELOPMENT TAX**

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as a table summarizing taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## **ADDITIONAL 1 PERCENT TOURIST DEVELOPMENT TAX**

FLORIDA STATUTES: Section 125.0104(3)(d)

ADMINISTERED BY: Department of Revenue or self-administered by levying counties

### **SUMMARY:**

Section 125.0104, F.S., authorizes the levy of five separate local option taxes on rental charges subject to the transient rentals tax under s. 212.03, F.S., to be used in various ways to promote tourism within the county. Generally, the revenues from these levies may be used for capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance; however, the authorized uses vary according to the particular levy. No tourist development tax may be levied in any municipality imposing the Municipal Resort Tax authorized under Chapter 67-930, L.O.F., (i.e., Miami Beach, Bal Harbour and Surfside). There is a prohibition against any county levying a convention development tax from levying tourist development taxes at a rate of more than 2 percent; however, this prohibition does not apply to a county's levy of the Professional Sports Franchise Facility Tax and Duval County's levy of the Additional Professional Sports Franchise Facility Tax.

The Additional 1 Percent Tourist Development Tax is one of the five tourist development taxes authorized under s. 125.0104, F.S. It may be levied by referendum; however, it may only be levied after the 1 or 2 percent tourist development tax has been levied for a minimum of 3 years. If levied, the tax must be levied at the rate of 1 percent. Uses of the revenue are the same as for the 1 or 2 percent tax, except that revenues cannot be used for certain debt service or refinancing unless approved by referendum.

### **REVENUE:**

Fiscal Year	Total Collections	Annual Change %
2026-27*	275,814,223	2.20%
2025-26*	269,876,931	-0.30%
2024-25	270,688,998	0.10%
2023-24	270,418,677	9.73%
2022-23	246,432,794	-0.86%
2021-22	248,581,710	67.21%
2020-21	148,660,826	6.33%

\* Estimate

Annual tourist development tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

### **HISTORY:**

Chapter 86-4, L.O.F., authorized an additional 1 percent tax levy for those counties that had imposed the 1 or 2 Percent Tax for the previous three years and prohibited the tax proceeds from being used for the refinancing of debt service on existing facilities unless approved by an extraordinary vote of the county's governing body. In addition, it prohibited counties that levy a convention development tax from levying more than 2 percent of tourist development tax. Chapter 87-175, L.O.F., gave levying counties the option of collecting and administering the tax at the local level and restricted self-administering counties from retaining more than 3 percent of total collections for administrative costs. Chapter 87-280, L.O.F., authorized counties with a total population of less than 500,000 to use the tax proceeds for museums,

## **ADDITIONAL 1 PERCENT TOURIST DEVELOPMENT TAX**

zoological parks, fishing piers, or nature centers. Chapter 88-243, L.O.F., authorized any county, which had imposed the tax for a period of one year to impose an additional 2 percent tax (later repealed) for economic development projects.

Chapters 92-175 and 92-204, L.O.F. (SB 2178 and HBs 147, 1551, and 1967), authorized any county to use the tax proceeds to fund museums, which was a use previously limited to those counties having a total population of less than 500,000. Additionally, it authorized a county to create a tourism promotion agency to undertake advertising and marketing research studies and provide booking and reservations services and created a joint legislative interim study committee to review current tourist-related tax issues and laws. Chapter 94-353, L.O.F. (HB 2557), clarified legislative intent regarding those transient rental transactions subject to tax. Chapter 95-133, L.O.F. (SB 1082), revised an exemption from public records requirements for county tourism promotion agencies. Chapter 95-360, L.O.F. (HB 485), authorized counties levying the tax to use the proceeds for promotion of zoological parks. Chapter 96-397, L.O.F. (SB 584), repealed the 2 percent tax for economic development projects authorized by Chapter 88-243, L.O.F.

Chapter 2000-312, L.O.F. (HB 509), clarified that the tax could not be repealed by referendum until outstanding bonds supported by such taxes were satisfied. It authorized counties that self-administer the tax to use certified public accountants to perform those functions associated with self-administration. Chapter 2001-252, L.O.F. (SB 1132), authorized certain counties to continue using a tourist development tax after retirement of applicable bonds under certain circumstances. Chapter 2003-34, L.O.F. (SB 1162), increased the population threshold from 500,000 to 750,000 for eligible counties to expend tax proceeds for optional uses. Chapter 2003-37, L.O.F. (SB 1566), limited the use of tax proceeds, which were specifically designated for beach improvement, maintenance, renourishment, restoration, and erosion control. Chapter 2003-78, L.O.F. (HB 533), made administrative changes pertaining to county tourism promotion agencies. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to referenda and local administration that had been scheduled for repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of tourist development taxes to short-term stays at timeshare resorts.

Chapter 2012-180, L.O.F. (HB 1015), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to publicly owned and operated aquariums, including acquisition, construction, maintenance, or promotion. Chapter 2013-168, L.O.F. (SB 336), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to aquariums owned and operated by not-for-profit organizations and clarified the automatic expiration of the tax upon the retirement of all bonds issued to finance certain facilities. Chapter 2016-6, L.O.F., (CS/CS/SB 182) reenacted a public records exemption of trade secret information held by a county tourism promotion agency to conform to the definition of trade secret, which expressly includes financial information within the definition. This exemption protected financial information deemed to be a trade secret from public disclosure. Chapter 2016-220, L.O.F., (HB 7099) specified additional uses for tourist development tax revenues for certain coastal counties. The legislation provided that, under specified conditions, a county located adjacent to the Gulf of Mexico or the Atlantic Ocean, except a county that receives revenue from taxes levied pursuant to s. 125.0108, F.S., (i.e., the Tourist Impact Tax levied only by Monroe County) may use up to 10 percent of tourist development tax revenues to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), F.S., and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area, as long as such funds are not used to supplant pre-existing expenditures on such services. To receive reimbursement, a county must: 1) generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to s. 125.0104, F.S.; 2) have at least three municipalities; and 3) have an estimated population of less than 225,000, according to the most recent population estimate prepared pursuant to s. 186.901, F.S., excluding the inmate population. The board of county commissioners must, by majority vote, approve reimbursement upon receipt of a recommendation

## **ADDITIONAL 1 PERCENT TOURIST DEVELOPMENT TAX**

from the tourist development council. Chapter 2017-36, L.O.F., (HB 7109) expanded the authorized uses of tourist development tax revenues to include the acquisition, construction, extension, enlargement, remodel, repair, improvement, maintenance, operation, or promotion of auditoriums that are publicly owned and open to the public, but operated by an organization that is exempt from federal taxation under 26 U.S.C. s. 501(c)(3) and within the boundaries of the county or subcounty special taxing district in which the tax is levied. Chapter 2018-118, L.O.F., (CS/HB 7087) extended the current authorization to use tourist development tax revenues on such things as restoration and maintenance of beaches, inland lakes and rivers, to expressly include the same types of expenditures for channels, estuaries, and lagoons as well as the construction of beach groins. Additionally, the legislation allowed counties to use tax revenues in connection with developing or operating public facilities within the boundaries of the county or subcounty special taxing district in which the tax was levied if the public facilities were needed to increase tourist-related business activities in the county or subcounty special district and were recommended by the county tourist development council. Tax revenues may also be used for any related land acquisition, land improvement, design, and engineering costs and all other professional and related costs required to bring the public facilities into service. Finally, tax revenues can only be used for these authorized public facilities if several preconditions were satisfied.

Chapter 2020-10, L.O.F., (CS/HB 7097) increased a population limit from 750,000 to 950,000 for counties that may use certain tourist development tax revenues (i.e., 1 or 2 Percent Tax, Additional 1% Tax, and High Tourism Impact Tax) for certain uses. Chapter 2022-5, L.O.F. (SB 850) deleted statutory language relating to a public records exemption for a trade secret, as defined in s. 812.081, F.S., held by a county tourism promotion agency. The exemption was not reenacted by the Legislature and repealed on October 2, 2021. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to levy this tax. It also required a referendum to reenact this tax, which must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period. Additionally, the legislation allowed the continued use of these tax revenues for public safety purposes by certain counties located adjacent to the Gulf of Mexico or the Atlantic Ocean (i.e., Bay, Okaloosa, and Walton) by increasing the population threshold from 225,000 to 275,000. Furthermore, it allowed the use of funds for public safety purposes by fiscally constrained counties that border the Gulf of Mexico or Atlantic Ocean, which expands current eligibility to Dixie, Franklin, Gulf, Levy, Taylor, and Wakulla counties. Chapter 2025-8, L.O.F., (HB 575) updates provisions to reflect the name change from the Gulf of Mexico to the Gulf of America. Chapter 2025-208, L.O.F., (HB 7031) allows coastal fiscally constrained counties to use funds for certain capital improvements. Additionally, it allows all coastal counties to use funds for the provision of beach lifeguards certified by an approved entity.

### **IMPOSITION AND RATE:**

If levied, the rate must be 1 percent. The tax is levied on all rental charges subject to the transient rental tax pursuant to s. 212.03, F.S. Fifty-nine counties are eligible to levy this tax, and 56 counties levy this tax.

### **DISPOSITION AND USES:**

In counties for which the tax is administered by the Department of Revenue, collections are returned monthly to the county levying the tax, less costs of administration, for use by the county in accordance with the provisions of s. 125.0104, F.S. In counties self-administering the tax pursuant to s. 125.0104(10), F.S., collections are retained by the county, less cost of administration not to exceed 3 percent, for use in accordance with the provisions of s. 125.0104, F.S.

## **ADDITIONAL 1 PERCENT TOURIST DEVELOPMENT TAX**

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as a table summarizing taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>



# PROFESSIONAL SPORTS FRANCHISE FACILITY TOURIST DEVELOPMENT TAX

FLORIDA STATUTES: Section 125.0104(3)(l)

ADMINISTERED BY: Department of Revenue or self-administered by levying counties

## SUMMARY:

Section 125.0104, F.S., authorizes the levy of five separate local option taxes on rental charges subject to the transient rentals tax under s. 212.03, F.S., to be used in various ways to promote tourism within the county. Generally, the revenues from these levies may be used for capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance; however, the authorized uses vary according to the particular levy. No tourist development tax may be levied in any municipality imposing the Municipal Resort Tax authorized under Chapter 67-930, L.O.F., (i.e., Miami Beach, Bal Harbour and Surfside). There is a prohibition against any county levying a convention development tax from levying tourist development taxes at a rate of more than 2 percent; however, this prohibition does not apply to a county's levy of the Professional Sports Franchise Facility Tax and Duval County's levy of the Additional Professional Sports Franchise Facility Tax.

The Professional Sports Franchise Facility Tax may be levied by referendum at a rate up to 1 percent. Uses of the tax revenues are contained in s. 125.0104(3)(l), F.S. Generally, proceeds can be used to pay debt service on bonds for the construction or renovation of professional sports franchise facilities, spring training facilities of professional sports franchises and convention centers, and to promote and advertise tourism.

## REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	261,225,285	2.20%
2025-26*	255,602,040	-0.30%
2024-25	256,371,153	-0.54%
2023-24	257,760,205	6.21%
2022-23	242,698,043	-10.49%
2021-22	271,147,436	80.68%
2020-21	150,068,345	-1.30%

\* Estimate

Annual tourist development tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

## HISTORY:

Chapter 88-226, L.O.F., authorized certain counties to impose an additional 1 percent tax (i.e., Professional Sports Franchise Facility Tax) to pay debt service on bonds issued to finance the construction, reconstruction, or renovation of a professional sports franchise facility. Chapter 89-217, L.O.F., clarified that any county could impose the tax.

Chapter 90-349, L.O.F. (SB 1624), authorized those counties levying more than 2 percent of convention development tax to levy the Professional Sports Franchise Facility Tax to pay debt service on a professional sports franchise facility. Chapter 94-353, L.O.F. (HB 2557), clarified legislative intent regarding those transient rental transactions subject to tax. Chapter 95-133, L.O.F. (SB 1082), revised an

## **PROFESSIONAL SPORTS FRANCHISE FACILITY TOURIST DEVELOPMENT TAX**

exemption from public records requirements for county tourism promotion agencies. Chapter 95-304, L.O.F. (HB 1757), expanded the authorized uses to include paying debt service on bonds issued to finance the construction, reconstruction, or renovation of a convention center. Chapter 95-416, L.O.F. (HB 1523), expanded the authorized uses to include planning and design costs incurred for the facility prior to the issuance of bonds and for facilities that are publicly owned and operated, or publicly owned and operated by the professional sports franchise facility owner or another qualified lessee. Chapter 96-397, L.O.F. (SB 584), authorized a county levying the tax to use the proceeds for convention center planning and design costs. Chapter 98-106, L.O.F. (SB 884), authorized any county levying the tax to use the proceeds for operation and maintenance of a convention center for a period of up to ten years, conditioned on the county's levy of the tax to pay debt service on a convention center. Chapter 99-287, L.O.F. (HB 519), authorized the use of the tax proceeds to pay the debt service on bonds issued to finance a retained spring training franchise facility.

Chapter 2000-312, L.O.F. (HB 509), clarified that the tax could not be repealed by referendum until outstanding bonds supported by such taxes were satisfied. It authorized counties that self-administer the tax to use certified public accountants to perform those functions associated with self-administration. Chapter 2000-351, L.O.F. (SB 1604), authorized any county that levies the tax after July 1, 2000, for the purpose of paying debt service on bonds related to convention centers to use the tax proceeds to pay the operation and maintenance costs of a convention center for the life of the bonds. Chapter 2001-252, L.O.F. (SB 1132), authorized certain counties to continue using a tourist development tax after retirement of applicable bonds under certain circumstances. Chapter 2002-265, L.O.F. (SB 1844), authorized the tax proceeds to be used to promote and advertise tourism. Chapter 2003-78, L.O.F. (HB 533), made administrative changes pertaining to county tourism promotion agencies. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to referenda and local administration that had been scheduled for repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of tourist development taxes to short-term stays at timeshare resorts.

Chapter 2012-180, L.O.F. (HB 1015), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to publicly owned and operated aquariums, including acquisition, construction, maintenance, or promotion. Chapter 2013-168, L.O.F. (SB 336), clarified the automatic expiration of the tax upon the retirement of all bonds issued to finance certain facilities. Chapter 2016-6, L.O.F., (CS/CS/SB 182) reenacted a public records exemption of trade secret information held by a county tourism promotion agency to conform to the definition of trade secret, which expressly includes financial information within the definition. This exemption protected financial information deemed to be a trade secret from public disclosure.

Chapter 2022-5, L.O.F. (SB 850) deletes statutory language relating to a public records exemption for a trade secret, as defined in s. 812.081, F.S., held by a county tourism promotion agency. The exemption was not reenacted by the Legislature and repealed on October 2, 2021. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to levy this tax. It also required a referendum to reenact this tax, which must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period.

### **IMPOSITION AND RATE:**

The tax may be levied at a rate up to 1 percent. It is levied on all rental charges subject to the transient rental tax pursuant to s. 212.03, F.S. All counties are eligible to levy this tax, and 46 counties levy the tax.

### **DISPOSITION AND USES:**

In counties for which the tax is administered by the Department of Revenue, collections are returned monthly to the county levying the tax, less costs of administration, for use by the county in accordance

## **PROFESSIONAL SPORTS FRANCHISE FACILITY TOURIST DEVELOPMENT TAX**

with the provisions of s. 125.0104, F.S. In counties self-administering the tax pursuant to s. 125.0104(10), F.S., collections are retained by the county, less cost of administration not to exceed 3 percent, for use in accordance with the provisions of s. 125.0104, F.S.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as a table summarizing taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## **HIGH TOURISM IMPACT TOURIST DEVELOPMENT TAX**

FLORIDA STATUTES: Section 125.0104(3)(m)

ADMINISTERED BY: Department of Revenue or self-administered by levying counties

### **SUMMARY:**

Section 125.0104, F.S., authorizes the levy of five separate local option taxes on rental charges subject to the transient rentals tax under s. 212.03, F.S., to be used in various ways to promote tourism within the county. Generally, the revenues from these levies may be used for capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance; however, the authorized uses vary according to the particular levy. No tourist development tax may be levied in any municipality imposing the Municipal Resort Tax authorized under Chapter 67-930, L.O.F., (i.e., Miami Beach, Bal Harbour and Surfside). There is a prohibition against any county levying a convention development tax from levying tourist development taxes at a rate of more than 2 percent; however, this prohibition does not apply to a county's levy of the Professional Sports Franchise Facility Tax and Duval County's levy of the Additional Professional Sports Franchise Facility Tax.

The High Tourism Impact Tax is one of the five tourist development taxes authorized under s. 125.0104, F.S. This 1 percent tax may be levied, subject to referendum approval, by any county in which sales subject to the tourist development tax exceeded \$600 million in the previous calendar year or were at least 18 percent of the county's total taxable sales under Chapter 212, F.S., where sales subject to the tourist development tax were a minimum of \$200 million. However, no county levying a convention development tax can be considered a high tourism impact county. The tax revenues can only be used for one or more of the authorized uses pursuant to s. 125.0104(5), F.S.

### **REVENUE:**

Fiscal Year	Total Collections	Annual Change %
2026-27*	169,341,655	2.20%
2025-26*	165,696,335	-0.30%
2024-25	166,194,920	0.96%
2023-24	164,611,999	9.09%
2022-23	150,901,731	-1.68%
2021-22	153,486,185	90.14%
2020-21	80,722,686	-8.76%

\* Estimate

Annual tourist development tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

### **HISTORY:**

Chapter 89-356, L.O.F., authorized a 1 percent levy for counties certified as high tourism impact counties (i.e., High Tourism Impact Tax) and imposed new auditing and accounting requirements on counties that locally administer tourist development taxes.

Chapter 90-107, L.O.F. (SB 1882), added an optional condition for qualification as a high tourism impact county, which had the effect of making Osceola County eligible to levy the High Tourist Impact Tax. Chapter 94-353, L.O.F. (HB 2557), clarified legislative intent regarding those transient rental transactions

## **HIGH TOURISM IMPACT TOURIST DEVELOPMENT TAX**

subject to tax. Chapter 95-133, L.O.F. (SB 1082), revised an exemption from public records requirements for county tourism promotion agencies.

Chapter 2000-312, L.O.F. (HB 509), authorized counties that self-administer the tax to use certified public accountants to perform those functions associated with self-administration. Chapter 2001-252, L.O.F. (SB 1132), authorized certain counties to continue using a tourist development tax after retirement of applicable bonds under certain circumstances. Chapter 2003-34, L.O.F. (SB 1162), increased the population threshold from 500,000 to 750,000 for eligible counties to expend the tax proceeds for optional uses. Chapter 2003-37, L.O.F. (SB 1566), limited the use of tax proceeds, which were specifically designated for beach improvement, maintenance, renourishment, restoration, and erosion control. Chapter 2003-78, L.O.F. (HB 533), made administrative changes pertaining to county tourism promotion agencies. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to referenda and local administration that had been scheduled for repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of tourist development taxes to short-term stays at timeshare resorts.

Chapter 2012-180, L.O.F. (HB 1015), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to publicly owned and operated aquariums, including acquisition, construction, maintenance, or promotion. Chapter 2013-168, L.O.F. (SB 336), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to aquariums owned and operated by not-for-profit organizations and clarified the automatic expiration of the tax upon the retirement of all bonds issued to finance certain facilities. Chapter 2016-6, L.O.F., (CS/CS/SB 182) reenacted a public records exemption of trade secret information held by a county tourism promotion agency to conform to the definition of trade secret, which expressly includes financial information within the definition. This exemption protected financial information deemed to be a trade secret from public disclosure. Chapter 2016-220, L.O.F., (HB 7099) specified additional uses for tourist development tax revenues for certain coastal counties. The legislation provided that, under specified conditions, a county located adjacent to the Gulf of Mexico or the Atlantic Ocean, except a county that receives revenue from taxes levied pursuant to s. 125.0108, F.S., (i.e., the Tourist Impact Tax levied only by Monroe County) may use up to 10 percent of tourist development tax revenues to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), F.S., and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area, as long as such funds are not used to supplant pre-existing expenditures on such services. To receive reimbursement, a county must: 1) generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to s. 125.0104, F.S.; 2) have at least three municipalities; and 3) have an estimated population of less than 225,000, according to the most recent population estimate prepared pursuant to s. 186.901, F.S., excluding the inmate population. The board of county commissioners must, by majority vote, approve reimbursement upon receipt of a recommendation from the tourist development council. Chapter 2017-36, L.O.F., (HB 7109) expanded the authorized uses of tourist development tax revenues to include the acquisition, construction, extension, enlargement, remodel, repair, improvement, maintenance, operation, or promotion of auditoriums that are publicly owned and open to the public, but operated by an organization that is exempt from federal taxation under 26 U.S.C. s. 501(c)(3) and within the boundaries of the county or subcounty special taxing district in which the tax is levied. Chapter 2018-118, L.O.F., (CS/HB 7087) extended the current authorization to use tourist development tax revenues on such things as restoration and maintenance of beaches, inland lakes and rivers, to expressly include the same types of expenditures for channels, estuaries, and lagoons as well as the construction of beach groins. Additionally, the legislation allowed counties to use tax revenues in connection with developing or operating public facilities within the boundaries of the county or subcounty special taxing district in which the tax was levied if the public facilities were needed to increase tourist-related business activities in the county or subcounty special district and were recommended by the county tourist development council. Tax revenues may also be used for any related land acquisition, land improvement, design, and engineering costs and all other professional and related

## **HIGH TOURISM IMPACT TOURIST DEVELOPMENT TAX**

costs required to bring the public facilities into service. Finally, tax revenues can only be used for these authorized public facilities if several preconditions were satisfied.

Chapter 2020-10, L.O.F., (CS/HB 7097) increased a population limit from 750,000 to 950,000 for counties that may use certain tourist development tax revenues (i.e., 1 or 2 Percent Tax, Additional 1% Tax, and High Tourism Impact Tax) for certain uses. Chapter 2022-5, L.O.F. (SB 850) deleted statutory language relating to a public records exemption for a trade secret, as defined in s. 812.081, F.S., held by a county tourism promotion agency. The exemption was not reenacted by the Legislature and repealed on October 2, 2021. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to levy this tax. It also required a referendum to reenact this tax, which must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period. Additionally, the legislation allowed the continued use of these tax revenues for public safety purposes by certain counties located adjacent to the Gulf of Mexico or the Atlantic Ocean (i.e., Bay, Okaloosa, and Walton) by increasing the population threshold from 225,000 to 275,000. Furthermore, it allowed the use of funds for public safety purposes by fiscally constrained counties that border the Gulf of Mexico or Atlantic Ocean, which expands current eligibility to Dixie, Franklin, Gulf, Levy, Taylor, and Wakulla counties. Chapter 2025-8, L.O.F., (HB 575) updates provisions to reflect the name change from the Gulf of Mexico to the Gulf of America. Chapter 2025-208, L.O.F., (HB 7031) allows coastal fiscally constrained counties to use funds for certain capital improvements. Additionally, it allows all coastal counties to use funds for the provision of beach lifeguards certified by an approved entity.

### **IMPOSITION AND RATE:**

If levied, the rate must be 1 percent. The tax is levied on all rental charges subject to the transient rental tax pursuant to s. 212.03, F.S. Once a county qualifies as a high tourism impact county and levies the tax, the county shall retain the designation for the period of the tax levy. Fifteen counties are eligible to levy this tax. The following 11 counties levy the tax: Broward, Hillsborough, Manatee, Monroe, Okaloosa, Orange, Osceola, Palm Beach, Pinellas, Sarasota, and Walton counties levy this tax, and each county retains this designation until its tax levy ends.

### **DISPOSITION AND USES:**

In counties for which the tax is administered by the Department of Revenue, collections are returned monthly to the county levying the tax, less costs of administration, for use by the county in accordance with the provisions of s. 125.0104, F.S. In counties self-administering the tax pursuant to s. 125.0104(10), F.S., collections are retained by the county, less cost of administration not to exceed 3 percent, for use in accordance with the provisions of s. 125.0104, F.S.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

## **HIGH TOURISM IMPACT TOURIST DEVELOPMENT TAX**

A more detailed description of this tax in its present form as well as a table summarizing taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

**ADDITIONAL PROFESSIONAL SPORTS  
FRANCHISE FACILITY  
TOURIST DEVELOPMENT TAX**

FLORIDA STATUTES: Section 125.0104(3)(n)

ADMINISTERED BY: Department of Revenue or self-administered by levying counties

**SUMMARY:**

Section 125.0104, F.S., authorizes the levy of five separate local option taxes on rental charges subject to the transient rentals tax under s. 212.03, F.S., to be used in various ways to promote tourism within the county. Generally, the revenues from these levies may be used for capital construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance; however, the authorized uses vary according to the particular levy. No tourist development tax may be levied in any municipality imposing the Municipal Resort Tax authorized under Chapter 67-930, L.O.F., (i.e., Miami Beach, Bal Harbour and Surfside). There is a prohibition against any county levying a convention development tax from levying tourist development taxes at a rate of more than 2 percent; however, this prohibition does not apply to a county's levy of the Professional Sports Franchise Facility Tax and Duval County's levy of the Additional Professional Sports Franchise Facility Tax.

The Additional Professional Sports Franchise Facility Tax may be levied at a rate up to 1 percent by referendum. Uses of the tax revenues are contained in s. 125.0104(3)(n), F.S. Generally, the proceeds can be used to pay debt service on bonds for the construction or renovation of professional sports franchise facilities, spring training facilities of professional sports franchises, and to promote and advertise tourism.

**REVENUE:**

Fiscal Year	Total Collections	Annual Change %
2026-27*	244,670,546	2.20%
2025-26*	239,403,666	-0.30%
2024-25	240,124,038	-0.88%
2023-24	242,245,166	6.41%
2022-23	227,659,125	6.77%
2021-22	213,220,879	63.28%
2020-21	130,585,860	2.82%

\* Estimate

Annual tourist development tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

**HISTORY:**

Chapters 94-275, L.O.F. (SB 1502) and 94-338, L.O.F. (HB 1875), authorized any county, which had imposed the Professional Sports Franchise Facility Tax, to impose an additional 1 percent tax (i.e., Additional Professional Sports Franchise Facility Tax) to pay debt service on bonds issued to finance the construction, reconstruction, or renovation of a new professional sports franchise facility as defined in s. 288.1162, F.S. Chapter 94-353, L.O.F. (HB 2557), clarified legislative intent regarding those transient rental transactions subject to tax. Chapter 95-133, L.O.F. (SB 1082), revised an exemption from public records requirements for county tourism promotion agencies. Chapter 95-416, L.O.F. (HB 1523), expanded the authorized uses to include planning and design costs incurred for the facility prior to the issuance of bonds and for facilities that are publicly owned and operated, or publicly owned and operated



**ADDITIONAL PROFESSIONAL SPORTS  
FRANCHISE FACILITY  
TOURIST DEVELOPMENT TAX**

by the professional sports franchise facility owner or another qualified lessee. Chapter 99-287, L.O.F. (HB 519), authorized the use of the tax proceeds to pay the debt service on bonds issued to finance a retained spring training franchise facility.

Chapter 2000-312, L.O.F. (HB 509), authorized counties that self-administer the tax to use certified public accountants to perform those functions associated with self-administration. Chapter 2001-252, L.O.F. (SB 1132), authorized certain counties to continue using a tourist development tax after retirement of applicable bonds under certain circumstances. Chapter 2002-265, L.O.F. (SB 1844), authorized the tax proceeds to be used to promote and advertise tourism. Chapter 2003-78, L.O.F. (HB 533), made administrative changes pertaining to county tourism promotion agencies. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to referenda and local administration that had been scheduled for repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of tourist development taxes to short-term stays at timeshare resorts.

Chapter 2012-180, L.O.F. (HB 1015), authorized additional uses by allowing county governments to spend tax proceeds for purposes related to publicly owned and operated aquariums, including acquisition, construction, maintenance, or promotion. Chapter 2013-168, L.O.F. (SB 336), clarified the automatic expiration of the tax upon the retirement of all bonds issued to finance certain facilities. Chapter 2016-6, L.O.F., (CS/CS/SB 182) reenacted a public records exemption of trade secret information held by a county tourism promotion agency to conform to the definition of trade secret, which expressly includes financial information within the definition. This exemption protected financial information deemed to be a trade secret from public disclosure.

Chapter 2022-5, L.O.F. (SB 850) deletes statutory language relating to a public records exemption for a trade secret, as defined in s. 812.081, F.S., held by a county tourism promotion agency. The exemption was not reenacted by the Legislature and repealed on October 2, 2021. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to levy this tax. It also required a referendum to reenact this tax, which must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period.

**IMPOSITION AND RATE:**

The tax may be levied at a rate up to 1 percent. It is levied on all rental charges subject to the transient rental tax pursuant to s. 212.03, F.S. Sixty-five counties are eligible to levy this tax; however, the county must already levy the Professional Sports Franchise Facility Tax to impose this tax as well. Thirty-seven counties levy the tax.

**DISPOSITION AND USES:**

In counties for which the tax is administered by the Department of Revenue, collections are returned monthly to the county levying the tax, less costs of administration, for use by the county in accordance with the provisions of s. 125.0104, F.S. In counties self-administering the tax pursuant to s. 125.0104(10), F.S., collections are retained by the county, less cost of administration not to exceed 3 percent, for use in accordance with the provisions of s. 125.0104, F.S.

**OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

**ADDITIONAL PROFESSIONAL SPORTS  
FRANCHISE FACILITY  
TOURIST DEVELOPMENT TAX**

**ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as a table summarizing taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## TOURIST IMPACT TAX

FLORIDA STATUTES: Section 125.0108

ADMINISTERED BY: Department of Revenue or self-administered by levying counties

### SUMMARY:

Section 125.0108, F.S., authorizes any county creating a land authority pursuant to s. 380.0663(1), F.S., to levy a 1 percent tax on transient rental facilities within the county area designated as an area of critical state concern pursuant to ch. 380, F.S. If the area(s) of critical state concern are greater than 50 percent of the county's total land area, the tax may be levied countywide. The tax proceeds are used to purchase property in the area of critical state concern and to offset the loss of ad valorem taxes due to those land acquisitions. Only Monroe County is currently eligible to levy the tax, and the county levies the tax.

### REVENUE:

Fiscal Year	Total Collections	Annual Change %
2026-27*	18,491,382	2.20%
2025-26*	18,093,328	-0.30%
2024-25	18,147,772	11.86%
2023-24	16,223,997	29.87%
2022-23	12,492,156	-31.32%
2021-22	18,189,270	62.24%
2020-21	11,211,150	32.03%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link. <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

### HISTORY:

Chapter 86-170, L.O.F., authorized counties containing an area of critical state concern to levy a 1 percent tax on the lease of transient rentals, the sale of food and beverages at public food service establishments, or the purchase of admissions if the county had created a land development authority. The tax levy is subject to referendum approval. One half of the tax proceeds shall be used to purchase property in areas of critical state concern, and the other half shall be distributed to the county's governing body for the purpose of offsetting the loss of property taxes from land purchases. Chapter 87-280, L.O.F. deleted the tax's applicability to the sale of food and beverages at public food service establishments and the purchase of admissions.

Chapter 2001-252, L.O.F. (SB 1132), provided that the tax could be levied throughout the entire county if the area or areas of critical state concern are greater than 50 percent of the land area of the county. Chapter 2006-223, L.O.F. (HB 1299), provided that a county that has levied the tax for at least 20 consecutive years prior to removal of the critical state concern designation may continue to levy the tax for 20 years following removal of the designation. After expiration of the 20-year period, a county may continue to levy the tax if the county adopts an ordinance reauthorizing the tax levy and approves the tax by referendum approval. Chapter 2009-133, L.O.F. (HB 61), provided for the application of the tax to consideration paid for occupancy of certain timeshare resort products. Monroe County, the only county to levy the tax, has levied the tax countywide since 1988.

## TOURIST IMPACT TAX

Chapter 2016-6, L.O.F., (CS/CS/SB 182) reenacted a public records exemption of trade secret information held by a county tourism promotion agency to conform to the definition of trade secret, which expressly includes financial information within the definition. This exemption protected financial information deemed to be a trade secret from public disclosure. Chapter 2018-159, L.O.F., (CS/CS/HB 1173) amended s. 380.0666(3), F.S., to authorize each land authority to contribute tourist impact tax revenues to the county or the county's housing authority to purchase any land in the county, not just land within the most populous municipality, for the construction, redevelopment, or preservation of affordable housing in an area of critical state concern. Additionally, the legislation authorized each land authority to use the tax revenues to pay specified costs related to affordable housing projects.

Chapter 2022-214, L.O.F., (CS/CS/HB 777) requires a referendum authorizing the levy of this tax to be held at a general election, as defined in s. 97.021, F.S. Chapter 2023-157, L.O.F. (HB 7063), required a referendum to reenact an expiring tourist impact tax must be held at a general election occurring within the 48-month period immediately preceding the effective date of the reenacted tax. Such a referendum may appear on the ballot only once within the 48-month period.

### BASE AND RATE:

This 1 percent tax must be approved by qualified electors voting in referendum held during a general election, as defined in s. 97.021, F.S. The tax base is the same as for the Tourist Development Tax. The tax may be repealed by passage of a resolution by four-fifths vote of the county's governing body.

### DISPOSITION:

Unless self-administered, the Department of Revenue returns proceeds, less costs of administration, to the county that imposed the tax. Monroe County, the only county levying the tax, self-administers it. Proceeds of the tax must be used equally for acquisition of property in the area of critical state concern and to offset the loss of ad valorem taxes caused by such acquisitions. Areas that have been statutorily designated as areas of critical state concern include the Big Cypress area, primarily in Collier County; the Green Swamp area, in central Florida; the Florida Keys area, in south Florida; and the Apalachicola Bay area in Franklin County.

### OTHER STATES:

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### ADDITIONAL INFORMATION:

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimates of taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

**MUNICIPAL RESORT TAX  
ON TRANSIENT RENTALS AND FOOD/BEVERAGES**

LAWS OF FLORIDA: Chapters 67-930, 82-142, 83-363, 93-286, and 94-344

ADMINISTERED BY: Self-administered by those municipalities levying the tax.

**SUMMARY:**

The Municipal Resort Tax may be levied at a rate up to 4 percent on transient rental transactions and up to 2 percent on the sale of food and beverages consumed in restaurants and bars in certain municipalities whose respective county population fell within specified limits based on the 1960 Census and whose municipal charter specifically provided for the levy of this tax prior to January 1, 1968. The tax levy must be adopted by an ordinance approved by the governing body. The tax proceeds can be used for tourism promotion activities, capital construction and maintenance of convention and cultural facilities, and relief of ad valorem taxes used for those purposes. Three municipalities in Miami-Dade County (i.e., Bal Harbour, Miami Beach, and Surfside) are eligible to impose the tax, and each municipality currently imposes the tax at the rate of 4 percent on transient rental transactions and 2 percent on the sale of food and beverages.

**REVENUE:**

Because the tax is self-administered, the following historical revenue figures were obtained from the municipalities' Comprehensive Annual Financial Reports.

Fiscal Year	Bal Harbour	Miami Beach	Surfside	Total Collections	Annual Change %
2023-24	5,659,962	109,139,198	5,254,000	120,053,160	-3.8%
2022-23	5,775,431	113,784,990	5,219,482	124,779,903	-3.1%
2021-22	5,931,450	117,307,417	5,491,734	128,730,601	40.9%
2020-21	4,813,175	82,207,342	4,372,990	91,393,507	51.5%
2019-20	2,777,408	54,972,321	2,583,931	60,333,660	-37.6%
2018-19	4,526,248	88,246,170	3,901,559	96,673,977	3.4%
2017-18	3,825,266	87,595,052	2,054,141	93,474,459	7.9%
2016-17	3,331,088	81,910,032	1,374,357	86,615,477	-0.8%

**HISTORY:**

Chapter 67-930, L.O.F., authorized municipalities in counties having a total population between 330,000 and 340,000 (i.e., Broward County) or more than 900,000 (i.e., Miami-Dade County), according to the 1960 Census, to levy a tax not to exceed 2 percent on transient rentals and food, beverages, and alcoholic beverages other than beer or malt beverages sold at an establishment licensed by the state hotel and restaurant commission or by the state beverage department. Municipalities were eligible to impose the tax by ordinance if the municipal charter specifically provided or was amended prior to January 1, 1968, to provide for the tax levy.

In 1970, the state challenged the law as unconstitutional and contended that the "...classification of the act as to the cities and towns which can qualify to collect a resort tax in the counties of the prescribed population brackets is so restrictive that the act on its face is a local act..." *STATE v. CITY OF MIAMI BEACH* [234 So.2d 103, 1970 Fla.S.Ct 1197]. The Florida Supreme Court upheld the law as valid.

Chapter 82-142, L.O.F., authorized a tax increase on transient rentals to a rate not to exceed 3 percent and provided that the increase must be approved by referendum prior to January 1, 1983. Chapter 83-363, L.O.F., authorized a tax increase on transient rentals to a rate not to exceed 4 percent and provided that the increase must be approved by referendum.

## **MUNICIPAL RESORT TAX ON TRANSIENT RENTALS AND FOOD/BEVERAGES**

Chapter 93-286, L.O.F. (HB 1969), removed an exemption of the tax to sales of beer and malt beverages. Chapter 94-344, L.O.F. (HB 2079), expanded the tax levy to the sale of food or beverages sold at retail and alcoholic beverages sold at retail for consumption on the premises at any place of business required by law to be licensed by the state hotel and restaurant commission or the state beverage department.

### **IMPOSITION AND RATE:**

Municipalities in counties having a population of not less than 330,000 and not more than 340,000 (i.e., Broward County) and in counties having a population of more than 900,000 (i.e., Miami-Dade County), according to the 1960 decennial census, whose charter specifically provided or whose charter was so amended prior to January 1, 1968, for the levy of this exact tax, are eligible to impose it by ordinance adopted by the governing body. The tax shall be levied upon the rent of every occupancy of a room or rooms in any hotel, motel, apartment house, rooming house, tourist or trailer camp, as the same are defined in part I of ch. 212, F.S., and upon the retail sale price of all items of food or beverages sold at retail, and of alcoholic beverages sold at retail for consumption on the premises at any place of business required by law to be licensed by the state hotel and restaurant commission or by the state beverage department. Only three municipalities in Miami-Dade County (i.e., Bal Harbour, Miami Beach, and Surfside) are currently eligible to impose the tax. All three municipalities impose the tax at 4 percent on transient rental transactions and 2 percent on the sale of food and beverages.

### **DISPOSITION AND USES:**

Each municipality levying the tax is responsible for the collection and administration of funds. The tax proceeds shall only be used for the creation and maintenance of convention and publicity bureaus; development and maintenance of art and cultural centers; enhancement of tourism; publicity and advertising; construction, operation, and maintenance of auditoriums, community centers, and convention structures; or relief from ad valorem taxes being used for any of these other purposes.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A more detailed description of this tax in its present form can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

**CONSOLIDATED COUNTY  
CONVENTION DEVELOPMENT TAX**

FLORIDA STATUTES: Section 212.0305(4)(a)

ADMINISTERED BY: Self-administered by the consolidated City of Jacksonville/Duval County government pursuant to the authority granted by s. 212.0305(5), F.S.

**SUMMARY:**

Each county operating under a government consolidated with one or more municipalities in the county may impose a 2 percent tax on the total consideration charged for transient rental transactions. The tax shall be levied pursuant to an ordinance enacted by the county's governing body. Only the City of Jacksonville/Duval County consolidated government is currently eligible to levy the tax, and the consolidated government levies the tax.

**REVENUE:**

Fiscal Year	Total Collections	Annual Change %
2026-27*	11,187,932	2.20%
2025-26*	10,947,096	-0.30%
2024-25	10,980,036	4.41%
2023-24	10,516,655	-2.55%
2022-23	10,791,363	17.67%
2021-22	9,171,126	32.68%
2020-21	6,912,214	0.51%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link. <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

**HISTORY:**

Chapter 83-356, L.O.F., authorized any county operating under a government consolidated with one or more municipalities in the county to impose a 2 percent tax on the total consideration charged for transient rental transactions. Chapter 87-99, L.O.F., authorized counties to locally collect and administer convention development taxes.

Chapter 90-349, L.O.F. (SB 1624), authorized municipalities within the county to use tax proceeds to acquire and develop municipal parks, lifeguard stations, or athletic fields. Chapter 93-286, L.O.F. (HB 1969), authorized any county or municipality wherein the tax was levied to adopt and implement a convention center booking policy applying to those centers owned or operated by the local government. Chapter 96-397, L.O.F. (SB 584), authorized municipalities having a population of 10,000 or more in a county authorized to levy the tax to use the tax proceeds to promote and advertise tourism.

Chapter 2000-312, L.O.F. (HB 509), authorized counties that self-administer convention development taxes to use certified public accountants to perform the functions associated with self-administration. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to self-administration of the tax, which had been set to repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of convention development taxes to short-term stays at timeshare resorts.

## **CONSOLIDATED COUNTY CONVENTION DEVELOPMENT TAX**

### **IMPOSITION AND RATE:**

Only a county operating under a government consolidated with one or more municipalities in the county is eligible to levy the 2 percent tax on the total consideration charged for transient rental transactions. The tax shall be levied pursuant to an ordinance enacted by the consolidated government's governing body. The consolidated City of Jacksonville/Duval County is the only government currently eligible to levy the tax, and the consolidated government began levying the tax in 1984.

### **DISPOSITION AND USES:**

The consolidated government began self-administration of the tax in 1990 and retains all tax proceeds. The proceeds shall be used for any of the following purposes: 1) to extend, enlarge, and improve existing publicly owned convention centers; 2) to construct a multipurpose convention/coliseum/exhibition center; or 3) to acquire, construct, extend, enlarge, remodel, repair, improve, or maintain one or more convention centers, stadiums, exhibition halls, arenas, coliseums, or auditoriums. Additionally, municipalities with a population of 10,000 or more may use the proceeds to promote and advertise tourism.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimates of taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>



**CHARTER COUNTY  
CONVENTION DEVELOPMENT TAX**

FLORIDA STATUTES: Section 212.0305(4)(b)

ADMINISTERED BY: Self-administered by Miami-Dade County pursuant to the authority granted by s. 212.0305(5), F.S.

**SUMMARY:**

Each county, as defined by s. 125.011(1), F.S., (i.e., Miami-Dade County) may impose a 3 percent tax on the total consideration charged for transient rental transactions. The tax shall be levied pursuant to an ordinance enacted by the county's governing body. The governing body of a municipality levying the Municipal Resort Tax may adopt a resolution prohibiting the imposition of the tax within its jurisdiction. If the levy is prohibited, no tax revenue shall be expended within that municipality. Only Miami-Dade County is currently eligible to levy the tax, and the county levies the tax.

**REVENUE:**

Fiscal Year	Total Collections	Annual Change %
2026-27*	129,762,292	2.20%
2025-26*	126,968,974	-0.30%
2024-25	127,351,027	4.41%
2023-24	121,976,535	-6.07%
2022-23	129,854,428	2.60%
2021-22	126,567,370	-8.09%
2020-21	137,710,963	82.33%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link. <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

**HISTORY:**

Chapter 83-354, L.O.F., authorized any county, as defined in s. 125.011(1), F.S., to impose a 3 percent tax on the total consideration charged for transient rental transactions. Chapter 87-99, L.O.F., authorized counties to locally collect and administer convention development taxes.

Chapter 93-286, L.O.F. (HB 1969), authorized any county or municipality wherein the tax was levied to adopt and implement a convention center booking policy applying to those centers owned or operated by the local government. Chapter 94-351, L.O.F. (HB 2509), authorized a county levying the tax to use the proceeds and accrued interest to operate an authority upon completion of authorized projects. Additionally, the authorized uses were expanded to include golf courses or related buildings and parking facilities.

Chapter 2000-312, L.O.F. (HB 509), authorized counties that self-administer convention development taxes to use certified public accountants to perform the functions associated with self-administration. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to self-administration of the tax, which had been set to repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of convention development taxes to short-term stays at timeshare resorts.

## **CHARTER COUNTY CONVENTION DEVELOPMENT TAX**

### **IMPOSITION AND RATE:**

Each county, as defined in s. 125.011(1), F.S., is eligible to levy the 3 percent tax on the total consideration charged for transient rental transactions. The tax shall be levied pursuant to an ordinance enacted by the county's governing body. Miami-Dade County is the only government currently eligible to levy the tax, and the county began levying the tax in 1984. No municipalities within the county have opted out of the levy.

### **DISPOSITION AND USES:**

The county government began self-administration of the tax in 1988 and retains all tax proceeds. The proceeds shall be used in the following manner. Two-thirds of tax proceeds shall be used to extend, enlarge, and improve the largest existing publicly owned convention center in the county. After completion of this project, the tax proceeds may be used to acquire, construct, extend, enlarge, remodel, repair, improve, plan for, operate, manage, or maintain one or more convention centers, stadiums, exhibition halls, arenas, coliseums, auditoriums, or golf courses, and may be used to acquire and construct an intercity light rail transportation system. One-third of tax proceeds shall be used to construct a new multipurpose convention/coliseum/exhibition center/stadium or the maximum components thereof as funds permit in the most populous municipality in the county. After completion of these projects, the tax proceeds may be used, as determined by the county to operate an authority created pursuant to s. 212.0305(4)(b)4., F.S., or to acquire, construct, extend, enlarge, remodel, repair, improve, operate, or maintain one or more convention centers, stadiums, exhibition halls, arenas, coliseums, auditoriums, golf courses, or related buildings and parking facilities in the most populous municipality in the county.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimates of taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## SPECIAL DISTRICT, SPECIAL, AND SUBCOUNTY CONVENTION DEVELOPMENT TAX

FLORIDA STATUTES: Sections 212.0305(4)(c)–(e) and 212.03055

ADMINISTERED BY: Self-administered by Volusia County pursuant to the authority granted by s. 212.0305(5), F.S.

### SUMMARY:

Each county chartered under Article VII of the Florida Constitution, and which levied a tourist advertising ad valorem tax within a special taxing district on January 1, 1984 (i.e., Volusia County) may impose a tax of up to 3 percent of the total consideration charged for transient rental transactions. Three separate taxes are authorized for levy in three separate taxing districts with the combined effect of authorizing the levy countywide. The taxes can be levied by ordinance enacted by the county's governing body. Any rate increase in excess of 2 percent must be approved by a majority plus one vote of the county's governing body.

The three taxes authorized by s. 212.0305(4)(c)-(e), F.S., are the:

- Special District Convention Development Tax, which is levied within the boundaries of the special district formerly levying a tourist advertising ad valorem tax within a special taxing district (i.e., Halifax Area Advertising Authority).
- Special Convention Development Tax, which is levied outside the boundaries of the special district and to the southeast of State Road 415 (i.e., Southeast Volusia Advertising Authority).
- Subcounty Convention Development Tax, which is levied outside the boundaries of the special district and to the northwest of State Road 415 (i.e., West Volusia Advertising Authority).

Only Volusia County is currently eligible to levy the tax, and the county levies the tax.

### REVENUE (of three taxes combined):

Fiscal Year	Total Collections	Annual Change %
2026-27*	18,430,416	2.20%
2025-26*	18,033,675	-0.30%
2024-25	18,087,939	40.19%
2023-24	12,902,678	-2.55%
2022-23	13,239,713	-22.67%
2021-22	17,121,510	-6.64%
2020-21	18,338,695	43.35%

\* Estimate

Annual tax receipts by county can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tax Receipts via the following link. <http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

### HISTORY:

Chapters 84-67, 84-324, and 84-373, L.O.F., authorized any county levying a tourist advertising ad valorem tax within a special taxing district, pursuant to s. 212.057, F.S., to levy a 1 percent Special District Convention Development Tax within the district's boundaries located in northeast Volusia County. With this tax's authorization, a county was prohibited from levying the tourist advertising ad valorem tax previously authorized. Chapter 87-99, L.O.F., authorized counties to locally collect and administer convention development taxes. Chapter 87-258, L.O.F., authorized Volusia County to levy a 1 percent in two separate, non-overlapping, geographically designated areas (i.e., Special Convention

## **SPECIAL DISTRICT, SPECIAL, AND SUBCOUNTY CONVENTION DEVELOPMENT TAX**

Development Tax and Subcounty Convention Development Tax) outside of the Special District Convention Development Tax district. This legislation had the effect of authorizing a 1 percent tax countywide to be levied in three separate taxing districts.

Chapter 91-155, L.O.F. (SB 1986), increased the authorized tax rates of convention development taxes levied in Volusia County from 1 to 2 percent. Chapter 93-286, L.O.F. (HB 1969), authorized any county or municipality wherein the tax was levied to adopt and implement a convention center booking policy applying to those centers owned or operated by the local government. Chapter 95-290, L.O.F. (HB 355), authorized a tax rate increase from 2 percent to up to 3 percent. Any rate increase in excess of 2 percent must be approved by a supermajority (majority plus one) vote of the county's governing body.

Chapter 2000-312, L.O.F. (HB 509), authorized counties that self-administer convention development taxes to use certified public accountants to perform the functions associated with self-administration. Chapter 2005-96, L.O.F. (SB 300), reenacted provisions related to self-administration of the tax, which had been set to repeal. Chapter 2009-133, L.O.F. (HB 61), provided for the application of convention development taxes to short-term stays at timeshare resorts.

### **IMPOSITION AND RATE:**

Only a county, chartered under Article VIII of the Florida Constitution and levying a tourist advertising ad valorem tax within a special taxing district on January 1, 1984, (i.e., Volusia County) is eligible to levy a tax of up to 3 percent tax on the total consideration charged for transient rental transactions. The tax shall be levied pursuant to an ordinance enacted by the county's governing body; however, any rate increase in excess of 2 percent must be approved by a supermajority (i.e., majority plus one) vote of the county's governing body. Volusia County is the only government currently eligible to levy the tax. The county began levying the tax at 1 percent in 1984, and the tax is currently levied countywide at 3 percent.

### **DISPOSITION AND USES:**

The county government began self-administration of the tax in 1990 and retains all tax proceeds. The proceeds shall be used to promote and advertise tourism and to fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus.

### **OTHER STATES:**

The National Conference of State Legislatures has published a listing of state lodging tax rates, which is available via the link below. These statewide taxes on lodging are often levied in addition to state sales taxes and/or local lodging taxes.

<https://www.ncsl.org/state-legislatures-news/details/travel-can-be-taxing-in-more-ways-than-one>

### **ADDITIONAL INFORMATION:**

A table summarizing the history of tourist tax impositions, expirations, extensions, and repeals can be found on the Office of Economic and Demographic Research's Local Government Data webpage under the heading of Local Option Tourist Taxes via the following link.

<http://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm>

A more detailed description of this tax in its present form as well as estimates of taxable sales reported by transient rental facilities, which is used to estimate county revenues, can be found in the Office of Economic and Demographic Research's annual report *Local Government Financial Information Handbook* via the following link.

<http://edr.state.fl.us/Content/local-government/reports/index.cfm>

## **ALTERNATIVE SOURCES**



## PERSONAL INCOME TAX

FLORIDA CONSTITUTION: Article VII, Section 5(a) of the Florida Constitution reads:

NATURAL PERSONS. No tax upon estates or inheritances or upon the income of natural persons who are residents or citizens of the state shall be levied by the state, or under its authority, in excess of the aggregate of amounts which may be allowed to be credited upon or deducted from any similar tax levied by the United States or any state.

### SUMMARY:

Florida currently does not levy a personal income tax.

### ESTIMATED REVENUE:

Not applicable.

FY 2026-27 (millions)

Data based on Federal Personal Income Tax of Florida Residents:

#### 1 Percent of Estimated:

Federal Taxable Income (FT)	\$9,339.4
Federal Taxable Income \$20K Exempt*	\$6,679.6
Federal Taxable Income \$40K Exempt*	\$4,613.6
Federal Taxable Income \$60K Exempt*	\$4,099.6

#### 1 Percent of Estimated:

Federal Tax Liability	\$1,989.5
Federal Tax Liability Double Per Exempt#	\$1,895.1
Federal Tax Liability Double Std Ded#	\$1,912.7

\* Allows each taxpayer to exempt stated amount of federal taxable income from state tax.

# Allows double current standard deductions or personal exemptions in computing federal tax liability.

### BASE AND RATE:

Currently 42 states and the District of Columbia levy a personal income tax. Forty-one levy a broad-based tax while the remaining one has selected a more limited income base. Alaska, Florida, Nevada, South Dakota, Tennessee, Texas, Washington, and Wyoming are the eight states that currently do not levy a personal income tax.

#### Limited Income Bases

New Hampshire taxes only interest and dividend income after exemptions, at a rate of 5 percent.

#### Broad Income Bases

All but five of the states (Alabama, Arkansas, Mississippi, New Jersey, and Pennsylvania) impose broad-based personal income taxes using the Federal Internal Revenue Code as the starting point in determining taxable income.

Tax rate schedules are of two basic types: flat rate and incremental rate. Twelve states levy a flat rate tax: Arizona, 2.5 percent on taxable income; Colorado, 4.40 percent on federal taxable income; Georgia, 5.5 percent on federal adjusted gross income; Idaho, 5.8 percent on taxable income; Illinois, 4.95 percent on federal adjusted gross income; Indiana, 3.05 percent on federal adjusted gross income; Kentucky, 4.0 percent on taxable income; Massachusetts, 5.0 percent on federal adjusted gross income; Michigan, 4.25

## PERSONAL INCOME TAX

percent on federal adjusted gross income; North Carolina, 4.5 percent on federal adjusted gross income; Pennsylvania, 3.07 percent on taxable income; and Utah, 4.8 percent on federal adjusted gross income.

Incremental tax rate schedules vary considerably among states. Minimum rates range from 0.25 percent (for the first \$1,000 in Oklahoma) to 5.8 percent (for the first \$24,500 in Maine). Maximum marginal rates range from 2.9 percent (for income above \$491,350 in North Carolina) to 12.3 percent (for income above \$677,275 in California). Currently, 16 states provide some type of indexing. Arizona, Arkansas, California, Idaho, Iowa, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New York, North Dakota, Ohio, Oregon, Rhode Island, Vermont, and Wisconsin have statutory provision for automatic adjustment of tax brackets, personal exemption, or standard deductions to the rate of inflation.

Five states give some type of tax credit against federal income taxes paid: Alabama, Iowa, Missouri, Montana, and Oregon.

Tax rates can be found at <https://taxadmin.memberclicks.net/tax-rates>

### ECONOMIC INCIDENCE:

The person whose income is subject to an income tax is considered to bear the full burden of the tax after allowing for federal income tax deductibility.

Unless a state has a large commuter work force, nearly 100 percent of the initial impact of a personal income tax will fall upon residents of the levying state.

Most state income taxes are considered progressive with respect to a person's income, but because of the multiple tax bases and rate schedules possible, the incidence of the tax is conditioned by each state's specific tax structure, including its exemptions and exclusions.



## STATE PROPERTY TAX

FLORIDA CONSTITUTION: Prohibited by Article VII, Section I

SUMMARY: Florida does not impose a state property (ad valorem) tax on real or tangible personal property.

TAXABLE VALUE AND ESTIMATED TAX:

Fiscal Year	Taxable Value** (Billions)	Value of a 1 Mill Levy (Millions)	Annual Change %
2025-26*	3,802.3	3,802	4.42%
2024-25#	3,641.3	3,641	5.51%
2023-24	3,451.2	3,451	18.38%
2022-23	2,915.4	2,915	19.89%
2021-22	2,431.7	2,432	6.14%
2020-21	2,291.0	2,291	6.19%
2019-20	2,157.4	2,157	6.76%
2018-19	2,020.8	2,021	6.82%
2017-18	1,891.8	1,892	7.36%
2016-17	1,762.1	1,762	7.65%
2015-16	1,636.9	1,637	8.33%
2014-15	1,511.0	1,511	7.19%
2013-14	1,409.7	1,410	3.46%
2012-13	1,362.6	1,363	-0.74%
2011-12	1,372.7	1,373	-3.96%
2010-11	1,429.3	1,429	-11.94%
2009-10	1,623.1	1,623	-10.39%
2008-09	1,811.2	1,811	-0.11%

\* Estimate

# Preliminary

\*\* Assumes the same tax base (including real estate, personal property, and centrally assessed property) and exemption structure as currently allowed for school districts.

### HISTORY:

The 1868 Constitution of the State of Florida authorized a state ad valorem school tax of not less than one mill. In 1885, the Constitution of the State of Florida was modified to establish a statewide one mill ad valorem tax. [See Article VIII, Section 5 of The Constitution of the State of Florida, adopted on February 25, 1868, and Article XII, Section 6 of The Constitution of the State of Florida, adopted by the Convention of 1885.] According to a historical review of the mid-1880's written by Arthur O. White, "The bulk of the state's school tax dollar came from real estate levies. A one-mill tax on the assessed value of property sustained the state school fund." The first modern state school funding program that excluded the use of this state-imposed ad valorem tax on real and personal property was adopted in 1941, and it was further formalized in 1947 with the introduction of the Minimum Foundation Program. In the 1968 Florida Constitution, adopted by referendum on November 5, 1968, the state replaced the 1885

## STATE PROPERTY TAX

Constitution and inserted language in Article VII, Section 1(a) expressly barring the state government from levying ad valorem taxes on real estate or tangible personal property. Also see discussion of Ad Valorem Taxes in the Major Local Government Revenue Sources section of this handbook.

### OTHER STATES:

In the 19<sup>th</sup> century, property taxes generally were imposed at the state level. During the 20<sup>th</sup> century the property tax became the major source of local government revenue and the use of the tax as a state revenue source declined substantially. However, as of 2021, 36 states imposed state property taxes on selected types of property.

## VALUE - ADDED TAX

### SUMMARY:

Florida currently does not levy a value-added tax (VAT).

### ESTIMATED REVENUE:

Estimated revenue for 2026-27 from a 1 percent VAT in Florida:

Michigan-type SBT (additive method)	-	\$ 9.4 billion
Invoice-credit VAT	-	\$ 13.2 billion
New Hampshire-type BET	-	\$ 10.0 billion

### HISTORY:

The value-added tax (VAT) is paid by producers on the value-added by their firms. Value-added is simply a firm's total revenue minus the value of purchased non-labor inputs (from outside suppliers) that the firm uses to produce goods and services. For example, if a firm uses labor, equipment (which it owns), and raw materials (which it purchases) to make a product, then value-added by the firm will be revenue minus the cost of raw materials. A VAT would be a percentage levy on that amount.

#### Measuring Value-Added - Invoice-Credit Method

In practice, measuring value-added is not as simple as portrayed above. In those countries with national VATs, the tax is commonly computed using the invoice-credit method. Under this method a firm applies the VAT rate to its gross receipts (revenue) and subtracts any VAT that was paid on purchased inputs, such as intermediate goods and capital goods. This is alleged to enhance compliance under a VAT in several ways. First, invoices provide a way of cross-checking the credits claimed by a taxpayer. Second, since taxpayers have the incentive to maximize the credit they can claim, it is in their interest that their suppliers pay the proper amount of VAT. It also concentrates the remittance burden on larger upstream businesses that can be audited more cost effectively, and it reduces the amount of tax at risk due to skimming and under-reporting by smaller retailers.

#### Measuring Value-Added - Income- Additive Method

A second method for calculating a VAT is the income or additive approach. Instead of subtracting the value of inputs from receipts, this approach directly adds up those categories of expenditure and net income of a given business that represent value-added (i.e., wages + interest + rent + profit). Strict utilization of federal income tax accounting (e.g., measurement of income and expenditures, timing or recognition of these items, reporting time frames, etc.) in calculating the VAT would result in value-added being measured directly from items already reported on federal income tax returns. For multi-state entities, national value-added could be apportioned in the same manner as corporate profits.

#### Experience in Other Jurisdictions

Most European countries rely on a VAT for a substantial portion of their revenue and have done so for at least four decades. The measurement method of choice has been the invoice-credit method. The VATs imposed in these jurisdictions are far from the pure VAT of theory. Equity considerations have led to substantial exemptions from the tax. Common among these are food, medical care and housing. Concern for record-keeping has led to exemptions for small businesses. In conformity with the concept that VATs are fundamentally taxes on consumption, businesses have been allowed to deduct the total expense of plant and equipment in the year of purchase. Nonetheless, the European experience with VATs seems to have been largely favorable.

In the United States, the state of Michigan used a form of VAT known as the "Single Business Tax" (SBT) as its form of general business taxation. It is the only state in the U.S. to have used a VAT. When it was adopted in 1975, it replaced seven business taxes, including a corporate income tax. On August 9, 2006, the Michigan legislature approved voter-initiated legislation to repeal the Single Business Tax. The repeal became effective January 1, 2008.

## VALUE - ADDED TAX

### Business Enterprise Tax

The Business Enterprise Tax (BET) was enacted in the mid-1990's by the State of New Hampshire. It is a broad-based business tax with the major component of the BET is compensation paid to employees. The BET also taxes interest paid. However, the only other addition to the BET base is dividends paid to shareholders. Thus, it does not attempt to tax corporate profits. New Hampshire has a separate corporate profits tax. The tax is paid by businesses of all types (i.e., corporations, partnerships, proprietorships) but businesses with less than \$150,000 in gross receipts or less than \$75,000 in taxable base are exempt. The tax rate is currently .55 percent.

### Incidence of the VAT

Firms subject to the VAT will try to pass it along to their consumers. The extent to which they are able to do so will depend on competitive conditions in markets for inputs to the production process and output markets. For practical purposes, it is generally assumed that the tax is fully-shifted forward in the production chain. In this case, the effect of a VAT is equivalent to taxing the total value of all taxable goods and services sold to final consumers. In the case where firms operate in multiple jurisdictions subject to a VAT the matter is more complicated and the outcome is dependent, in large part, upon the form of VAT being employed.

### OTHER STATES:

New Hampshire

## **MAJOR PENDING LITIGATION**



## SIGNIFICANT LITIGATION AFFECTING REVENUES

### CURRENTLY PENDING LITIGATION

#### A. Ad Valorem Tax

##### ***City of Gulf Breeze v. Brown***

1<sup>st</sup> Judicial Circuit (Santa Rosa County), Case No.: 2017-CA-000012; 1<sup>st</sup> DCA, Case No.: 1D19-4245; Florida Supreme Court, Case No.: SC22-741

Issue: Whether city-owned property is being used for a municipal/governmental purpose.

In 2012, the City of Gulf Breeze acquired property that it used for both sewage and wastewater treatment and the operation of a golf course, driving range, and clubhouse. The city operated the property through 2015 and received an ad valorem tax exemption on the property through 2015. In October 2015, the city leased the golf course and related facilities to a private entity. The property appraiser then denied the exemption beginning in 2016 believing the property was no longer used for a governmental purpose after it was leased.

The trial court found that the property appraiser wrongly removed the exemption. The 1<sup>st</sup> DCA reversed and remanded and certified the question to the Florida Supreme Court. Oral Argument before the Florida Supreme Court was held April 5, 2023.

The Florida Supreme Court issued an opinion on November 27, 2024, holding that a municipally owned golf course property over which the municipality exercises extensive control is not disqualified from exemption under article VII, section 3(a) by having a management company used by the municipality in the operation of the property compensated not by a fixed fee but based on a formula tied to the difference between revenue and expenses.

##### ***Gulf Marine Repair Corp. v. Henriquez***

13<sup>th</sup> Judicial Circuit (Hillsborough County), Consolidated Case Nos.: 2015-CA-004485A001; 2015-CA-011042A001; 2016-CA-011070A001; 2017-CA-010850A001; 2018-CA-011746A001; 2019-CA-012333A001; 2<sup>nd</sup> DCA, Case No. 2D20-2613, 375 So. 3d 306 (2023); Florida Supreme Court, Case No.: SC2024-0083.

Issue: “Governmental-governmental” use test; Sufficiency of property appraiser’s written notice of exemption denial.

The 2<sup>nd</sup> DCA held that use of property as a for-profit shipyard does not serve a “governmental-governmental” function and that therefore the property is not tax exempt under the “governmental-governmental” use test established by *Williams v. Jones*, 326 So. 2d 425 (Fla. 1975).

The court noted that the legislature amended the definition in s. 196.012(6), F.S., to include maritime functions in 1997 and 2014 but did not “expressly grant an exemption for proprietary activities undertaken for profit” by lessees at deepwater ports. By contrast, the legislature expressly exempted the aviation uses at issue in this case with Hillsborough County Aviation Authority. Therefore, any activity by a lessee that is deemed to perform a port purpose or operation still must satisfy the initial sentence of s. 196.012(6), F.S., and the constitutional governmental-governmental use test arising from it, i.e., it must relate to the administration of government as opposed to the commercial endeavor of a private lessee.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

The court also addressed the notice provisions under s. 196.193(5)(b), F.S., for written exemption denials, rejecting the claim that the property appraiser failed to meet the notice requirements for the tax years. The court held that s. 196.193(5), F.S., is a procedural due process provision that enables an applicant to evaluate the reasons before seeking relief in the VAB or circuit court. The court stated that if the property appraiser fails to provide notice, the remedy is to toll or extend commencement of the VAB or circuit court filing period. Since Gulf Marine had actual knowledge of the property appraiser's denial of its exemption since 2014, the court said it suffered no prejudice even if the notices were deficient.

On the notice issue, the 2<sup>nd</sup> DCA disapproved of the 1<sup>st</sup> DCA's award of the religious tax exemption in *Genesis Ministries, Inc. v. Brown (Genesis II)*, 250 So. 3d 865, 869 (Fla. 1st DCA 2018) under s. 196.193(5)(b), F.S., solely because the property appraiser failed in the denial notice to inform the applicant of its right to file a VAB action. The court stated that such a remedy is "not authorized" by the statute: "It is not for this Court or the Legislature to grant ad valorem taxation exemptions not provided for in the present constitutional provisions."

The Florida Supreme Court denied review on October 2, 2024.

### ***Hillsborough County Aviation Authority v. Henriquez***

13th Judicial Circuit (Hillsborough County), Case No.: 2020-CA-4927; 2nd DCA, Case No.: 2D20-3602.

Issue: Use of government property by a private, for-profit lessee.

In 2020, the Hillsborough County Aviation Authority (HCAA) applied for an ad valorem tax exemption for fifteen different properties that it owns and leases to private entities. The 2nd DCA ruled that the properties serve a governmental purpose as defined in s. 196.012(6), F.S., which reversed the trial court judgment. For that reason, the 2nd DCA remanded the case and instructed the trial court to enter judgment for the HCAA.

The court mentioned two other 2nd DCA decisions issued the same day in *Gulf Marine Repair Corporation v. Bob Henriquez*, (Case No. 2D20-2613), and *Tampa Port Authority v. Bob Henriquez*, (Case No. 2D20-2605), noting that while all three cases share the basic characteristic of being appeals from orders granting summary judgment in favor of the property appraiser on the issue of a lessee's entitlement to exemption from taxation under ss. 196.012(6) and 196.199(2)(a), F.S., the similarities end there.

As the court recognized in *Gulf Marine*, the legislature did not include language in the exemption statute, s. 196.012(6), F.S., to specifically exempt proprietary, for-profit activities undertaken by lessees at deepwater ports. By contrast, the legislature expressly exempted the aviation uses at issue in this case with HCAA.

The court noted that while the property appraiser raised valid points concerning the governmental-governmental test to determine if a tax exemption is constitutionally permitted, the court declined to apply the test to the statute involved, s. 196.012(6), F.S. Under the governmental-governmental test, said the court, an "exemption is constitutionally permitted only if the use by the private entity 'could properly be performed or served by an appropriate governmental unit, or which is demonstrated to perform a function or serve a purpose which would otherwise be a valid subject for the allocation of public funds.'" In contrast, when a nongovernmental lessee utilizes governmental property for-proprietary and for-profit aims, a governmental-proprietary function occurs.

Cases with an "\*" are new cases that have not been reported in a prior version of the Handbook.



## SIGNIFICANT LITIGATION AFFECTING REVENUES

Recognizing the importance of the governmental-governmental test, the court certified a question to the Florida Supreme Court as one of great public importance: “WHERE PROPERTY IS EXPRESSLY EXEMPT FROM AD VALOREM TAXATION UNDER A SPECIFIC STATUTE AND THE STATUTE’S CONSTITUTIONALITY IS NOT CHALLENGED, DOES THE GOVERNMENTAL-GOVERNMENTAL TEST OVERRIDE AN EXPRESS STATUTORY EXEMPTION AND ULTIMATELY DETERMINE WHETHER THE PROPERTY IS EXEMPT FROM TAXATION?”

The 2<sup>nd</sup> DCA reversed the case, in part, and remanded the case, in part. In its July 7, 2023 decision, the court remanded the case back to the circuit court decision and directed that judgment be entered in favor of Defendant (exempting the subject properties). The Florida Supreme Court’s August 21, 2024, order declined to exercise discretionary jurisdiction. The circuit court entered final judgment that the property is exempt.

***Marriott Resorts Hospitality Corporation, Grand Vista of Orlando Condominium Association, Inc. v. Mercado***

9<sup>th</sup> Judicial Circuit (Orange County), Case No.: 2018-CA-013570-O; 6<sup>th</sup> DCA, Case No. 6D2023-3618.

Issue: Assessment methodology of timeshare property

In the event of inadequate resales, s. 192.037(11), F.S., requires property appraisers to use “the original purchase price” of the timeshare interest. This case involves the issues of adequate resales under s. 192.037(10), F.S. and original developer sales under s. 192.037(11), F.S. Also involved are ss. 194.301, 194.3015, and 193.011, F.S. relating to required professionally accepted appraisal practices and appropriate appraisal methodology, and rule 12D-1.002, F.A.C. relating to just valuation under a prevailing market.

The trial court agreed with the property appraiser and determined there were inadequate resales of timeshares; i.e., that there were not enough arms-length deeded week resales in Orange County. The case has been appealed to the 6<sup>th</sup> DCA and the DCA held oral argument on June 19, 2025.

***Mercado v. Florida Department of Revenue***

Department of Revenue Case No. 23-12100; 1<sup>st</sup> DCA, Case No. 1D2024-0680.

Issue: Methodology for VAB determinations

Each year, the property appraisers make deductions under 193.011(8), F.S., to recorded selling prices of properties used to develop assessments and report these amounts to the Department of Revenue. VABs make deductions to recorded selling prices, presented as evidence, in the same standard amounts. The use of adjusted recorded selling prices to calculate fair market values results in adjusted fair market values. In cases where comparable sales are not used in calculating assessments, the adjustments are made in calculating fair market values.

Under s. 194.036(1)(c), F.S., the property appraiser filed an assertion seeking probable cause from the Department for the property appraiser to proceed to circuit court to appeal 154 of the VAB’s 2022 decisions, in which the property appraiser said the VAB made the deduction to recorded selling prices or fair market values. The property appraiser argues that any sales used after deduction in developing assessments, and any other sales presented as evidence at a VAB, cannot be adjusted the same way by the VAB in reviewing the assessment. The contention is that only the sales used in the

Cases with an “\*” are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

assessment can be adjusted. The property appraiser's written assertion alleged that any cost of sale deductions is unconstitutional.

The Department investigated the assertion and filed an investigative finding, determining that the VAB's deduction amounts made to comparable sales presented as evidence by petition parties was a professionally accepted appraisal practice that is referenced and required under s. 194.301, F.S., and that there was not probable cause that the VAB committed a consistent and continuous violation of the intent of the law and administrative rules in making deductions under s. 193.011(8), F.S.

The property appraiser appealed the denial of the assertion to the 1<sup>st</sup> DCA. The case is awaiting a briefing schedule.

### ***Rogers v. Gregor***

1<sup>st</sup> Judicial Circuit (Walton County), Case No.: 2017-CA-615; 1<sup>st</sup> DCA, Case No. 1D2022-3549.  
Issue: Sufficiency of property appraiser written notice of exemption denial and whether s. 196.193, F.S. applies to denials of homestead exemption.

In both the notice of exemption disapproval and correspondence, the property appraiser informed Rogers of their appeal rights afforded by ss. 196.011 and 196.193, F.S., and not s. 196.151, F.S. But in the trial court and in this appeal the property appraiser argued that s. 196.151, F.S. controls.

The trial court found that the property appraiser provided Rogers with adequate notice of the homestead exemption denial, and that the notice requirement set forth in s. 196.193(5)(b), F.S., does not apply to homestead property. The trial court found that the notice sent to Rogers satisfied the requirements of s. 196.151, F.S., and that the notice satisfied the requirements of s. 196.193(5)(b), F.S., which were the applicable standard. Oral argument before the 1<sup>st</sup> DCA was held April 9, 2024.

The 1<sup>st</sup> DCA issued its opinion holding that the homestead exemption denial is invalid because it did not comply with the notice requirements of s. 196.193(5)(b), F.S. The court reversed the circuit court order granting summary judgment for the property appraiser and remanded to the lower court with instructions to grant summary final judgment in the Rogers' favor. The property appraiser sought review in the Florida Supreme Court.

The Florida Supreme Court accepted the case for review on June 17, 2025. The case is in the briefing schedule.

## **B. Alcohol, Beverage and Tobacco Taxes**

### ***C&S Wholesale Grocers, Inc. v. Florida Department of Business & Professional Regulation***

2<sup>nd</sup> Judicial Circuit (Leon County), Case No.: 2020-CA-000565; 1<sup>st</sup> DCA, Case No. 1D22-3040  
Issue: Constitutionality of imposing excise taxes and surcharges on cigarettes without imposing excise taxes and surcharges on cigars.

A wholesale dealer of cigarette and tobacco products is challenging the Department's denial of its refund request for excise taxes and surcharges paid for the period November 2016–November 2019. The plaintiff alleges that the taxes and surcharge on cigarettes under ss. 210.02(1) and 210.011(1), F.S., violate the Commerce and Equal Protection Clauses of the U.S. Constitution because they apply to cigarettes but not to cigars. The trial court granted judgment on the pleadings in the Department's

Cases with an “\*” are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

favor. The wholesaler appealed to the 1<sup>st</sup> DCA. The 1<sup>st</sup> DCA has affirmed the judgment of the trial court, but this is not final until any timely and authorized motions have been disposed of.

***C&S Wholesale Grocers, Inc. v. Florida Department of Business & Professional Regulation***

DBPR Case No. 2016-020992; 1<sup>st</sup> DCA, Case No.: 1D22-2940

Issue: Entitlement to an administrative hearing on a timely filed petition and subsequently amended petition protesting Department's denial of tax refund request.

The Department denied C&S Wholesale's request for a refund of tobacco taxes paid from the period of August 2013 through June 2015. C&S Wholesale timely filed a petition for hearing challenging the constitutionality of the taxes and surcharges levied pursuant to ss. 72.011(5) and 120.569, F.S., but requested that the Department not refer the petition to the Division of Administrative Hearings until a "substantially similar case" pending before Fla. 9th Circuit was decided. Four years after filing their initial petition, C&S Wholesale filed an amended petition requesting that the Department refer the petition to the Division of Administrative Hearings and removing contingency on the 9th Circuit case. The Department entered a Final Order dismissing C&S Wholesale's initial petition and amended petition on the basis that the petition did not comport with the 60-day jurisdictional requirements of s. 120.569, F.S. C&S Wholesale appealed the Department's Final Order to the 1<sup>st</sup> DCA. The 1<sup>st</sup> DCA affirmed the Department's dismissal of the amended petition and reversed the dismissal of the initial petition, with instructions to the Department to conduct a hearing under s. 120.57, F.S., in response to the initial petition.

***Basik Trading, Inc. v. Florida Department of Business & Professional Regulation***

2<sup>nd</sup> Judicial Circuit (Leon County), Case No.: 2022-CA-000702

Issue: Validity of Final Tax Assessment issued by Department; validity of/entitlement to tax deductions taken on prior returns; facial and as-applied constitutional challenges to s. 210.40 OTP surety bonds.

The Department determined after a series of routine audits that the plaintiff, a distributor of other tobacco products ("OTP"), owed additional taxes and surcharges after the Department disallowed certain deductions claimed for OTP purchases reported or previously reported on prior monthly reports. The distributor alleges that many of the taxed transactions were for products that were previously reported and taxed as a purchase, but were later subsequently shipped or transported outside of Florida and therefore are not subject to taxation in accordance with s. 210.276(1), F.S. The distributor claims that it is entitled to refunds or credits for taxes paid on those transactions, and the parties dispute whether the products entered and/or left Florida. The distributor also challenges the Department's authority to increase the amount of its surety bond and claims that the governing statute (s. 210.40, F.S.) is unconstitutionally vague because it confers discretion on the Department to increase the amount of the statutorily required bond in an amount that the Department deems necessary to fully protect the State. Bench trial is scheduled for January 6, 2025, in the 2nd Judicial Circuit, Leon County.

***Basik Trading, Inc. v. Florida Department of Business & Professional Regulation***

2nd Judicial Circuit (Leon County), Case No.: 2024 CA 0523

Issue: Refunds of taxes on other tobacco products

Plaintiff, a distributor of other tobacco products, contests the legality of the Department's denial of a Refund Application for the destruction of tobacco products previously reported and assessed as taxable purchases in a total amount of \$129,795.

Cases with an "\*" are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

Section 210.67, F.S., provides OTP distributors a right to a refund of taxes and surcharges on OTP purchases previously paid and reported, which is later returned to the manufacturer, sold out of state, or destroyed. The Department's Rule 61A-10.055 provides that in order for a distributor to receive a refund, Department personnel must witness the OTP destruction and provide the Department with "a copy of the signed destruction form." Plaintiff provided the destruction form signed & witnessed by the Department with its application for refund.

### ***Basik Trading, Inc. v. Florida Department of Business & Professional Regulation***

2nd Judicial Circuit (Leon County), Case No.: 2024 CA 001023

Issue: Refunds of taxes on other tobacco products

Plaintiff, a distributor of other tobacco products, contests the legality of the Department's denial of a Refund Application for the out of state sale of tobacco products previously reported and assessed as taxable purchases in a total amount of \$676,483.87.

Section 210.67, F.S., provides OTP distributors a right to a refund of taxes and surcharges on OTP purchases previously paid and reported, which is later returned to the manufacturer, sold out of state, or destroyed.

### ***Global Hookah Distributors, Inc. v. Florida Department of Business & Professional Regulation***

DOAH Case No.: 23-0636; DOAH Case No.: 23-1638RU

Issue: Taxability of tobacco products; rule challenge.

A hookah tobacco products distributor filed an application for refund for excise taxes and surcharges paid on their products sold in Florida from April 2016 through January 2019 totaling \$1,412,75.16, on the basis that hookah tobacco does not meet the definition of "tobacco products" under s. 210.25(12), F.S. The Department denied the distributor's refund application and the distributor, pursuant to s. 72.011, F.S., elected to contest the Department's denial before the DOAH. The distributor subsequently filed an unadopted rule challenge, alleging that the Department's classification and resulting taxation of hookah tobacco as a "tobacco product" under s. 210.25(12), F.S., constitutes an unadopted rule. The unadopted rule challenge, DOAH Case No. 23-1638RU, was consolidated with the refund denial in DOAH Case No.: 23-0636. A recommended order was entered in DOAH Case No. 23-0636 affirming the Department's denial which was subsequently adopted by Final Order in full by the Department. A final order was entered in DOAH Case No. 23-1638RU determining that the Department's determination and taxation of hookah tobacco as a taxable tobacco product within s. 210.25, F.S., did not constitute an unadopted rule violate of s. 120.54(1)(a), F.S.

Petitioner timely appealed the final order to the 1st DCA, and it is assigned DCA Case No. 1D23-2608.

## **C. Communications Services Tax**

### **\* *T-Mobile South LLC v. State of Florida, Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2024 CA 002137

Amount in Controversy: \$1,312,729.17

Issue: This involves a Communications Services Tax audit. The issue is whether subscription on-demand (SVOD) services that are provided to T-Mobile Florida customers are subject to Communications Services Tax.

Cases with an "\*" are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

The Department filed its Answer on February 14, 2025. A non-jury trial is set for February 9, 2026. Discovery is ongoing.

### **D. Corporate Income Tax**

#### ***9395 CH, LLC v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2023 CA 001324

1st District Court of Appeal, Case No.: 1D25-0594

Amount in Controversy: \$308,188.55

Issue: Bonus depreciation

The Taxpayer is a real estate rental company and prior to 2019 was taxed as a partnership for federal and state purposes, and so did not file Florida corporate income tax returns. In subsequent years, Taxpayer elected to be taxed as a corporation. On its Florida returns, Taxpayer claimed a depreciation for assets purchased before it was taxed as a corporation in Florida, on which it took a bonus depreciation on its federal returns, but which depreciation was never “added back” to Florida returns as required by s. 220.13(1)(e), F.S. The Taxpayer contests the Department’s denial of depreciation subtractions during the years at issue.

The Taxpayer filed a Notice of Constitutional Question and a Notice of Constitutional Challenge on January 29, 2024, essentially asking if the Department’s application of s. 220.13(1)(e), F.S., violates the Equal Protection Clause. On February 10, 2025, Final Summary Judgment was granted in favor of the Department. The Taxpayer timely appealed.

#### ***Apple, Inc. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2024 CA 001111

Amount in Controversy: \$15,816,631.35

Issues: Whether certain intercompany sales should be included in the denominator of the sales factor and whether certain revenue should be sourced to Florida and therefore included in the sales factor numerator.

The Department was served on July 18, 2024, and Taxpayer filed a second complaint (Case No. 2025 CA 000407) which was consolidated with this case. Discovery is ongoing.

#### **\* *Apple, Inc. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2025 CA 000407

Amount in Controversy: \$26,290,023.89

Issue: Whether certain revenue should be sourced to Florida and therefore included in the sales factor numerator. Otherwise known as “cost of performance” or “market sourcing.”

The Department was served on March 18, 2025. This complaint was consolidated with the first complaint (Case No. 2024 CA 001111). Discovery is ongoing.

#### ***Capital One Bank (USA) N.A. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2022 CA 2070

Amount in Controversy: \$14,316,099

Cases with an “\*” are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

### ***Capital One, N.A. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2022 CA 2073

Amount in Controversy: \$3,569,463

Issue: Location of income-generating activity.

Both of these cases are centered on the same issue: Whether Florida Corporate Income Tax/Bank Franchise Tax is due: 1. On interest income that is earned by the taxpayer from unsecured loans made to Florida customers; 2. On interchange fees that are earned by the taxpayer when a customer makes a purchase using a credit card that is issued by the taxpayer; and 3. On other interest that is earned by the taxpayer.

The taxpayer asserts that the vast majority of credit card payments it receives, and all of its interchange income, are electronic and received outside Florida and, thus, not subject to Florida corporate income tax, pursuant to s. 220.15(5)(c)3., F.S. The taxpayer also asserts it has no employees or property within Florida. The taxpayer asserts that the interchange income that it received is not attributable to Florida because it does not represent “fees” earned by the taxpayer from financial services performed in Florida, pursuant to s. 220.15(5)(c)1., F.S. The taxpayer also asserts that there is no factual or legal basis for asserting that other interest that was earned by the taxpayer is attributable to Florida.

The Department takes the position that certain receipts were attributable for Florida bank franchise tax purposes and that the location of receipt of payments is not relevant.

Both parties have filed motions for Summary Judgment and the Department has filed a Motion to Dismiss. A hearing on the motions was held on March 6, 2025. Both parties have submitted proposed orders.

### ***Checkfree Services Corporation v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2024 CA 001026

Amount in Controversy: \$3,396,471.61

Issue: Location of income-generating activity.

Taxpayer primarily derives revenue from the facilitation of online bill payment services through payment processing networks. The Taxpayer asserts that the vast majority of the costs to perform its income producing activities were incurred outside of Florida.

The Department was served on July 3, 2024. Discovery is ongoing.

### ***Cosmo International Corp v. Florida Department of Revenue***

17th Judicial Circuit (Broward County); Case No.: CACE-23-013288 and CACE-23-013304

Amount in Controversy: the total for both cases: \$84,616.63 (refunds)

Issue: Inclusion of wages paid by an Employee Leasing Company in the payroll factor

These two cases involve a Corporate Income Tax refund dispute involving the question of whether wages paid to an individual by an Employee Leasing Company (“ELC”) should be included in the Taxpayer’s payroll factor. The Taxpayer argues that it pays the ELC a fee for services rendered and does not handle any employment-related matters or taxes, nor does it pay any wages directly to employees. The Taxpayer argues that because the employees are employed directly by the ELC, pursuant to Rule 12C-1.054(3), F.A.C., the wages paid to these employees by the ELC should be

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

excluded from Taxpayer's payroll factor. The Department believes that the rule and s. 220.15(4), F.S., do not intend to exclude from the payroll factor wages paid by the common law employer and that the common law employer in this case is the Taxpayer and not the ELC. Although the amount in controversy is below \$100,000, if applied to similarly situated taxpayers, a judicial outcome endorsing the Taxpayer's position would impact state revenues by that amount or more. Both parties have filed respective motions for Summary Judgment. Parties are awaiting a hearing date.

### ***Humana, Inc. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County); Case No: 2024 CA 1232 (audit), 2024 CA 1233 (refund)  
Amount in Controversy: \$1,844,104.99 (audit 2024 CA 1232); \$13,418,986.00 (refund 2024 CA 1233)

Issue(s):

- (1) Whether audit adjustments increasing the federal tax-exempt interest income addition per §220.13(1)(a)2., F.S. are correct?
- (2) Whether Taxpayer should source receipts from its pharmacy benefit management services and other services to Florida?
- (3) Whether Humana's reverse break-up fee from Aetna should be treated as apportionable business income?

In addition to the above issues, the refund case involves the Department's refusal to make adjustments to its scholarship contribution tax credit for tax years 2016 and 2017.

The Department was served with both complaints on August 1, 2024. Pretrial motions have been ordered to be filed by December 31, 2025. Discovery is ongoing.

### ***Jetblue Airways Corporation v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2024 CA 001177

Amount in Controversy: \$631,632.11

Issue: Constitutionality of method for apportioning revenue for air and sea transportation.

The Taxpayer is a commercial airline that operates flights originating from and/or terminating at Florida commercial airports. The Taxpayer's flights traverse what is referred to as "The Box" which is the statutory boundary created pursuant to s. 220.151(2)(c), F.S., for apportioning the revenue miles for air and sea transportation. The Taxpayer asserts that "The Box" violates the Florida Constitution, the Federal Supremacy Clause, the Federal Commerce Clause (substantial nexus and fair apportionment, fairly related, the Foreign Commerce Clause) and the Due Process Clause.

The Department was served on July 26, 2024. On September 1, 2025, the Court granted Final Summary Judgment in favor of the Department as a matter of law on all counts of the operative complaint and granted the Taxpayer's motion to dismiss the Department's counterclaims. As of this writing, the parties are considering their respective next steps.

### **\* *OptumRx, Inc. v. State of Florida, Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2025 CA 000188

Amount in Controversy: \$12,265,275.10

Issue: Apportionment ("cost of performance" v. "market sourcing") of income from management receipts.

Cases with an "\*" are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

This case involves a Corporate Income Tax audit wherein Petitioner disputes the Department's apportionment of Petitioner's pharmacy benefits management receipts to Florida, claiming that Rule 12C-1.0155(2)(l), F.A.C., mandates that these sales be attributed to Florida if the greater portion of the income producing activity engaged by Petitioner directly occurs in Florida based on the costs of performance. Petitioner also contends that the Department erred in its application of Florida net operation loss provisions to deny Petitioner the utilization of net operating losses during the audit period. Discovery is ongoing.

**\* *Verizon Communications, Inc. & Affiliates v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2025 CA 000430

Amount in Controversy: \$24,719,438.56 (refund)

Issue: Should Taxpayer have included inter-company sales in its sales factor and numerator, excluded sales of services to Florida residents and apportioned its income to Florida using a single sales factor per s. 220.153, F.S.?

This involves a Corporate Income Tax refund claim. Verizon filed a complaint in circuit court contesting the Department's Notice of Proposed Refund Denial based on amended returns using a single sales factor instead of the original three factor formula utilized when filing its original corporate income tax return. The Department was served in March 2025. Discovery is ongoing.

**\* *Verizon Communications, Inc. & Affiliates v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2025 CA 001008

Amount in Controversy: \$2,457,014.00 (refund)

Issue: What is the correct amount of interest that should be refunded?

This involves a Corporate Income Tax refund claim that was considered during an on-going CIT compliance audit. The compliance audit resulted in a refund to the Taxpayer. At issue is the Taxpayer's demand for accrued interest for the 2019 Tax Period. A second issue involves interest paid by the Taxpayer with its 2018 and 2020 amended returns. The Taxpayer asserts that it is owed interest as being overpaid. The Department was served on June 5, 2025. Discovery is ongoing.

### **E. Documentary Stamp Tax**

***Bank of America N.A. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2021 CA 1288

1st District Court of Appeal, Case No.: 1D24-0153

Amount in Controversy: \$5,187,684

Issue: Tax calculation on loan renewals.

The case arises out of refund requests by the taxpayer. The taxpayer executed renewal loans with its customers. In some instances, the renewal was for the face amount of the original loan or less, but in some instances, the renewal was for an amount greater than the original loan. The taxpayer originally paid documentary stamp tax and intangibles tax on the full amount of all loans. The taxpayer filed refund claims arguing that the only portion of the renewal that is taxable is the amount of the renewal loan that exceeds the original loan amount. Parties completed mediation; however, no resolution was obtained.

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

On December 19, 2023, the Circuit Court issued its Final Judgment for Plaintiff Bank of America, N.A. The Department timely appealed. Oral Argument was held on July 22, 2025. Parties are awaiting a decision.

### F. Insurance Premium Tax

#### ***Genworth Life Insurance Company v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2024 CA 001063

Amount in Controversy: \$487,240.62, plus interest

Issue: Audit methodologies.

The Taxpayer is domiciled in Delaware and is authorized to write life, accident, and health insurance in Florida and throughout the United States. The Taxpayer disagrees with audit adjustments to the calculation of net premiums tax due on the Delaware side of the retaliatory tax calculation that disallowed the inclusion of guaranty fund association (GFA) credits based on the Florida GFA assessments that were paid by the Taxpayer. The Department believes that the proper GFA credits to be included on the Delaware side of the retaliatory tax calculation should be based on the Delaware GFA assessments that were paid by the Taxpayer. The Department's adjustments during informal protest resulted in the calculation of a refund amount of \$246,268.38 that has not yet been refunded to the Taxpayer. The Taxpayer is claiming that it should instead receive a refund of \$733,509.00 plus interest.

The Department was served on July 9, 2024. The Taxpayer filed a Motion for Summary Judgment on July 23, 2025.

### G. Motor Fuel Tax

#### ***SEI Fuel Services, Inc. v. Florida Department of Revenue***

Division of Administrative Hearings, Case No.: 21-1403

1st District Court of Appeal. Case No.: 1D22-3284;

2nd Judicial Circuit (Leon County), Case No.: 2024 CA 000797

1st District Court of Appeal, Case No.: 1D24-2098

Amount in Controversy: \$555,585 (refund) (\$1,220,821.00 in interest)

Issue: Whether the taxpayer is due a refund of motor fuel taxes paid to specific vendors as the result of erroneous reporting on its return.

The taxpayer is a licensed terminal supplier of motor fuels who paid tax on certain purchases of motor fuels, both to its wholesale vendors and to the Department. The taxpayer sought a refund of the taxes paid to its wholesale vendors, which was denied due to Florida Statutes expressly prohibiting the refund of those taxes paid to wholesale vendors.

The case was referred to DOAH and the Final Order upheld the denial of the application for a refund of fuel tax. The taxpayer timely appealed and on February 14, 2024, the 1st DCA reversed and remanded holding for the taxpayer.

On May 21, 2024, the taxpayer filed a Writ of Mandamus with the 2nd Judicial Circuit Court seeking that the Department be ordered to pay statutory interest. On August 1, 2024, the Circuit Court issued a Final Order Granting the Department's Motion to Dismiss and Denying Plaintiff's Complaint for

Cases with an "\*" are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

Writ of Mandamus. The Taxpayer appealed to the 1st DCA. Oral Arguments are scheduled for October 9, 2025.

### H. Sales and Use Tax

#### ***27 Entrepreneurs Brickell LLC v. Florida Department of Revenue***

1st District Court of Appeal. Case No.: 1D24-1717

Amount in Controversy: \$487,560.43

Issue: Timeliness of filings.

On June 11, 2024, the Department issued an Order Dismissing Petition with Prejudice because the Taxpayer's First Amended Petition and its Initial Petition were filed beyond the statutory jurisdictional deadline. The taxpayer timely appealed the decision to the 1<sup>st</sup> DCA on July 8, 2024.

#### **\* *A+ Auto, Inc. v. Florida Department of Revenue***

1st District Court of Appeal. Case No.: 1D24-2197

Amount in Controversy: \$2,331,652.32

Issue: The Taxpayer appealed the Department's Order Dismissing Petition with Prejudice that was based on the decision that the Taxpayer's petition for administrative hearing was time-barred.

The Taxpayer is challenging a Sales and Use Tax audit. It asserts that the audit was not carried out according to law in that the only communication it claims to have received during the audit was a Demand to Appear letter and that it did not receive a Notice of Intent to Audit or the Notice of Proposed Assessment. On July 31, 2024, the Department issued an Order Dismissing Petition with Prejudice because the Petition was filed untimely. The Taxpayer timely appealed the decision to the 1<sup>st</sup> DCA.

#### ***ADN Global, LLC v. Florida Department of Revenue***

1st District Court of Appeal. Case No.: 1D24-0471

Amount in Controversy: \$228,419.10

Issue: Timeliness of filings.

On January 31, 2024, the Department issued an Order Dismissing Petition with Prejudice because the Taxpayer's petition was beyond the statutory jurisdictional deadline for filing.

On February 22, 2024, the Taxpayer filed a Notice of Appeal. Its Initial Brief asserts that DOR's Order dismissing the case was improper because their petition raised disputed issues of material fact as to the issuance and/or receipt of the NOD by the Taxpayer, however the brief fails to address the inconsistent allegations, and the bases stated in the Department's Order.

In a *per curiam* decision issued on July 9, 2025, the 1st DCA reversed the Department's Order and remanded the matter for an evidentiary hearing. The Department filed a Motion for Rehearing, Rehearing En Banc, Certification of a Question of Great Public Importance and Clarification on August 8, 2025. As of this writing, the parties are awaiting a ruling on the motion.

#### **\* *L and D Beauty Nail Supply, Inc. v. Department of Revenue***

Division of Administrative Hearings, Case No.: 25-2479

Amount in Controversy: \$706,231.66

Issue: Unreported sales, export sales and exempt sales.

Cases with an "\*" are new cases that have not been reported in a prior version of the Handbook.

## SIGNIFICANT LITIGATION AFFECTING REVENUES

Taxpayer contests this Sales and Use Tax audit assessment on their nail salon product and equipment wholesale sales business. Main issues concern unreported sales, export sales and exempt sales.

Discovery is ongoing.

***Miami British Corp v. Florida Department of Revenue***

11th Judicial Circuit (Miami-Dade County), Case No.: 23-021674-CA

Amount in Controversy: \$510,247.53

Issue: Taxation of e-commerce.

The Taxpayer's Complaint asserts that it sells automotive parts through "e-marketplace platforms such as Amazon, Pay Pal and E-Bay." The Taxpayer asserts that proper credit was not given to Sales and Use Tax collected and remitted by the platforms and that the Department applied incorrect tax rates to out-of-state sales. Further, it objects to the Department's position that there are inconsistencies between the Taxpayer's Federal Income Tax returns, its financial statements, and its state sales tax returns.

A non-jury trial has been scheduled for November 10, 2025.

**\* *Miami Prime Catering and Food Services, Inc. v. Department of Revenue***

Division of Administrative Hearings, Case No.: 24-4601

Amount in Controversy: \$317,553.89

Issue: The Taxpayer asserts business records were lost or damaged due to flooding and the assessment should be adjusted. It also asserts various sales were made to exempt organizations.

A final hearing is scheduled for September 10 and 11, 2025.

**\* *Orlando SMSA Limited Partnership v. Department of Revenue***

Division of Administrative Hearings, Case No.; 24-4234

Amount in Controversy: \$2,665,514.13

Issue: Taxpayer, a wholly owned subsidiary of AT&T, is protesting a refund denial for various items, including county surtaxes, sales taxes on purchases of software, use taxes on services, use taxes on real property improvements, and use taxes on purchases.

The Final Hearing has been scheduled for January 20 to January 23, 2026.

***Seventy7, LLC v. Florida Department of Revenue***

Division of Administrative Hearings, Case No.: 23-3744 (audit); Case No.: 23-3951RU (rule challenge)

1st District Court of Appeal. Case No:1D25-0532 (rule challenge)

Amount in Controversy: \$535,875.28

Issue: Assessment methodologies.

The Taxpayer operates a dance club and contests the assessment of additional sales and use tax related to the entrance fees it imposes to enter into a private room. It further contests the Department's assessment of sales and use tax under s. 212.031, F.S., as it relates to "Scrip Redemption" and involves the use of space by entertainers. The Taxpayer has filed an Unadopted Rule Challenge. The Taxpayer asserts that the Department has a policy that interprets s. 212.031,

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

F.S., in a way that would require rulemaking. The Department increased the assessment from \$181,714.71 to \$535,875.28 during litigation due to additional documentation the Taxpayer was ordered to provide during discovery.

The audit challenge and the Rule Challenge were consolidated. A hearing was held, and a Recommended Order was issued on February 13, 2025. The same day, DOAH entered a final order denying the petition related to the unadopted rule challenge. The Taxpayer appealed the final order, an Initial Brief was filed on August 22, 2025. The court's final order in the assessment case is pending.

***West Boca Medical Center, Inc. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2023 CA 000232

1st District Court of Appeal. Case No.: 1D2024-2887

Amount in Controversy: \$506,859 (refund)

Issue: Sales and use tax refunds.

The taxpayer operates a hospital. It paid a vendor to provide specialized environmental cleaning services. The vendor's services meet the guidelines issued by federal, state, and local health departments for the purpose of reducing the spread of healthcare associated infections and protecting health. The taxpayer obtained an assignment of rights from its vendor in order to apply for this refund.

The Department denied the refund because it classifies the Taxpayer as a nonresidential cleaning service which is not exempt from taxation.

The parties have both filed motions for Summary Judgment. On October 11, 2024, the Court Granted the Department's Motion for Summary Judgment and denied the Taxpayer's Motion for Summary Judgment.

The Taxpayer timely appealed. The parties have filed their respective briefs and oral Argument has been set for September 9, 2025.

***\* Wild Cargo Pets, Inc. v. Florida Department of Revenue and Jim Zingale, Executive Director, Florida Department of Revenue***

15th Judicial Circuit (Palm Beach County), Case No.: 50-2024-CA-004590

Amount in Controversy: \$133,920.21

Issue: In contesting a Bank Levy, the Taxpayer challenges the underlying assessment that assessed Sales and Use Tax on various sales that the Taxpayer claims were exempt.

During the pendency of this action, a Suggestion of Bankruptcy has been raised. In re: Wild Cargo Pets, Inc., is being heard in the United States Bankruptcy Court for the Southern District of Florida (West Palm Beach Division), Case No. 24-18380-EPK. An evidentiary hearing has been scheduled in the Bankruptcy Court on October 16, 2025. Based on the bankruptcy court's ruling, the circuit court case may be reopened. The circuit court case is currently administratively closed.

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

### RECENTLY CONCLUDED LITIGATION

#### A. Ad Valorem Tax

##### *Pinellas County v. Joiner*

6th Judicial Circuit (Pasco County), Case No.: 2015-CA-1376; 2nd DCA, Case No.: 2D17-1040; Florida Supreme Court, Case No.: SC19-1819

Issue: County owned property; immunity from taxation.

Pinellas County owns 12,400 acres of property within Pasco County which consist of forests, grazing lands, environmental wetlands, lakes, wildlife habitats, and educational facilities. In the 1990s, the then-Pasco County Property Appraiser determined the land was immune from taxation; however, Pinellas County paid to Pasco County contributions in lieu of ad valorem taxes.

In 2014, Pasco County began assessing ad valorem tax on the property. In May 2015, Pinellas County filed suit against the Pasco County Property Appraiser seeking declaratory and injunctive relief and claiming that Pinellas County was immune from taxation on its property located within Pasco County. The trial court found that the property was immune from taxation. The 2nd DCA reversed, holding that a county's immunity from taxation does not extend to property located in another county. The Florida Supreme Court issued an opinion on June 27, 2024, holding that sovereign immunity did not shield the county from the obligation of paying ad valorem taxes for property owned by that county but located outside its territorial boundaries.

##### *Tampa Port Authority v. Henriquez*

13<sup>th</sup> Judicial Circuit (Hillsborough County), Consolidated Case Nos.: 2015-CA-004485; 2015-CA-011042; 2016-CA-011070; 2017-CA-010850; 2018-CA-011746; 2019-CA-012333; 2<sup>nd</sup> DCA, Case No.: 2D20-2605, 377 So. 3d 187, corrected opinion December 29, 2023.

Issue: Standing; Timeliness of property appraiser's amended complaint.

The property appraiser challenged exemptions granted by the VAB for the 2014 tax year and several separate lawsuits filed by Gulf Marine to set aside assessments on the property in subsequent tax years. The property appraiser challenged the 2014 VAB decision, naming Gulf Marine as a defendant but not the Port Authority. The circuit court later permitted the property appraiser to amend his complaint to add the Port Authority as a defendant.

On appeal, the Port Authority argued that the property appraiser lacked standing for the suit in circuit court and that the property appraiser did not timely add the Port Authority as a defendant, and for that reason the suit should have been dismissed with prejudice. Regarding the standing argument, the DCA determined that the issue was waived because it was not raised when the case was being handled by the circuit court. As for the timing of the property appraiser's amending of the complaint, the DCA reasoned that the time limit in s. 193.122(4), F.S., which governed the property appraiser's suit in the lower court, contains no language establishing it as a statute of nonclaim or imposing a jurisdictional bar to application of the relation-back rule. Further, the DCA stated that the relation-back rule could apply to the amended complaint because the new and former parties (i.e., Gulf Marine and the Port Authority) shared an identity of interests in the exemption issues. Therefore, the amendment related back to the timely initial complaint, and the property appraiser properly added the Port Authority as a party.

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

### B. Corporate Income Tax

#### ***Billmatrix Corp, et al vs. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2020-CA-0435

1st District Court of Appeal, Case No.: 1D23-1920

Amount in Controversy: \$4,360,433 (assessment); \$271,503 (refund claim)

Issue: Location of income-generating activity.

This consolidated case involves six audits for the various named plaintiffs/taxpayers. The taxpayers generally provide payment processing, software, and related services. The Department conducted routine audits of the taxpayers and assessed them corporate income tax for the period 2015 through 2017.

Taxpayers argue that the Department improperly found that the taxpayers' income producing activity was performed within Florida. The taxpayers contend that their income producing activities which gave rise to the sales subject to the proposed assessments are not performed wholly in Florida and therefore are not subject to Florida corporate income tax.

On March 1, 2023, the Circuit Court granted Taxpayers' Motion for Summary Judgment. On July 11, 2023, the Circuit Court granted the Department's Motion for Compulsory Judicial Notice, granted in part and denied in part the Department's Motion to Dismiss for Lack of Subject Matter Jurisdiction, and denied Taxpayers' Motion for Alternative Security Arrangement. The Taxpayers appealed. The 1st DCA denied a motion for oral argument.

On November 15, 2024, in a *per curiam* decision, the 1st DCA affirmed the Circuit Court's mixed decision. The 1st DCA denied the Taxpayer's Motion for En Banc Hearing on January 29, 2025. The 1st DCA issued its mandate on February 17, 2025.

#### ***Fiserv Par, Inc. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2022 CA 605

1<sup>st</sup> District Court of Appeal. Case No.: 1D23-1968

Amount in Controversy: \$113,006

Issue: Location of income-generating activity.

This case centers on whether the Department used the proper methodology to assess corporate income tax on the income the taxpayer derived from its transaction processing services. The taxpayer contends that the Department erred because its income producing activities are not performed wholly within Florida. The trial court granted the Department's Motion for Compulsory Judicial Notice and Motion to Dismiss for Lack of Subject Matter Jurisdiction.

The case was appealed to the 1st DCA. On November 25, 2024, in a *per curiam* decision, the 1st DCA affirmed the Circuit Court's decision. The 1st DCA denied the Taxpayer's motion for En Banc Rehearing and Certification.

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

### ***HCA Healthcare Inc v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2024 CA 278

Amount in Controversy: \$13,813,508.63 (audit), \$30,246,475.00 (refunds)

Issues:

- (1) Whether investment income was correctly reclassified as business income?
- (2) Whether an adjustment made for tax exempt interest is correct?
- (3) Whether the disallowance of certain federal wage credits and limiting the amount of other wage credits claimed is correct?
- (4) Whether the exclusion of management fees and payments received from partnerships (income from staffing) from the sales factor is correct?
- (5) Whether one of Taxpayer's subsidiaries should be classified as a financial organization, and its loans included in the denominator property factor?
- (6) Whether refunds for 2018 and 2020 were improperly offset for the automatic refund provided in s. 220.1105, F.S.

The Department was served on June 18, 2024. In November 2024, the parties reached an amicable resolution, and the Taxpayer voluntarily dismissed its complaint.

### ***Microsoft Corporation v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County); Case No.: 2024 CA 000213

Amount in Controversy: \$9,078,639.44

Issues:

- (1) Whether the income Taxpayer derives from its numerous products and services qualify to be sourced using a cost of performance methodology?
- (2) Taxpayer argues that the Department made "other adjustments," including adjustments to its net operating loss carryover (NOLCO) and Florida payroll factor.

On July 8, 2024, the Circuit Court issued an Agreed Order staying the case so that the parties can continue to work towards achieving a global resolution of all the issues. In May 2025, the parties reached an amicable resolution, and the Taxpayer voluntarily dismissed its complaint.

### ***Verizon Communications, Inc. v. Florida Department of Revenue***

2nd Judicial Circuit (Leon County), Case No.: 2018-CA-001543

1st District Court of Appeal. Case No.: 1D22-2094 and 1D22-2096

Florida Supreme Court, Case No.: SC2024-0737

Amount in Controversy: \$1,304,901

Issue: Whether statutory laches (s. 95.011(6), F.S.) and the statute of nonclaim (s. 215.26, F.S.) prevent Verizon from seeking income tax refunds based upon NOLs incurred before 2000?

The circuit court determined that Florida did not adopt the Federal mitigation provisions and that the Florida statute of nonclaim (s. 215.26, F.S.) is a jurisdictional bar to Verizon's refund requests because it is undisputed that Verizon did not file timely refund applications in accordance with that statute.

The 1st DCA upheld the Circuit Court decision. The 1st DCA denied Verizon's Motion for Rehearing or certifying question to send to the Florida Supreme Court. On May 17, 2024, Verizon filed a Notice to Invoke Discretionary Jurisdiction with the Florida Supreme Court. On August 28, 2024, the

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

Florida Supreme Court denied Verizon’s jurisdictional briefs and advised that no motion for rehearing would be entertained.

### C. Sales and Use Tax

#### ***Children's World Inc. v. Florida Department of Revenue***

#### ***Genius Kids, LLC v. Florida Department of Revenue***

Division of Administrative Hearings; Case No.: 24-001403 (the two cases are consolidated and are using the lower case’s number)

Issue: Exemption of sales or leases to state tax-supported schools.

The Taxpayers’ petitions provide that they are for-profit corporations engaged in the business of providing educational services to children in Florida. They assert that they applied for Certificate(s) of Exemption under s. 212.08(7)(o), F.S., as they contend that they are state tax-supported schools because they receive funding from the State of Florida pursuant to the School Readiness Program via the Early Learning Coalition.

The Department issued a Final Order on February 11, 2025, adopting the Recommended Order of the Administrative Law Judge that the Department deny each of the Taxpayers’ applications for an exemption.

#### ***International Bonded Couriers v. Florida Department of Revenue***

DOAH, Case No.: 20-4221RU

1st District Court of Appeal. Case No.: 1D23-0780

Issue: Freight forwarding.

Florida businesses have begun acting as “freight forwarders” for international purchasers, whereby the purchaser will make a remote purchase and have the property delivered to the freight forwarder in Florida. The freight forwarder will receive the tangible personal property from the seller, prepare the property for shipment, and export the property from Florida to the purchaser, primarily located in the Caribbean and South America.

Many of these freight forwarders were able to obtain individual zip codes from the United States Postal Service, which allowed them to be easily identified. For several years, the Florida Department of Revenue maintained a database with these individualized zip codes to alert the seller that a sale delivered to that zip code should not include tax, as that was a sale for export from Florida.

The Legislature has passed legislation outlining a statutory procedure for documenting these types of sales, and the Department of Revenue has stopped providing the database due to administrative issues.

International Bonded Couriers (IBC) initiated litigation claiming that the Department’s action in ceasing to provide the database was an unpromulgated rule. The final hearing was held on December 12, 2022, and DOAH entered a final order on March 7, 2023, finding the case to be moot.

IBC appealed to the 1st District Court of Appeal. In a *per curiam* decision issued on June 6, 2024, the 1st DCA affirmed the Final Order.

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

### ***Mist Technologies of Southwest Florida, LLC v. Florida Department of Revenue***

Division of Administrative Hearings; Case No.: 24-2722

Amount in Controversy: \$176,781.58

Issue: Taxation of certain services.

The Taxpayer sells and installs misting systems. The Taxpayer provides pest control products and services for the control of mosquitoes to commercial and residential customers. The Taxpayer asserts the installation of its systems would most accurately be classified as real property improvements instead of installation of Tangible Personal Property as it says the Department determined. It objects to the Department disallowing certain exempt sales. The Taxpayer's petition describes a situation where a former employee made various accounting and recordkeeping mistakes and that the Department ignored the Taxpayer's corrected data.

The case was referred to DOAH on July 22, 2024. In September 2024, the parties amicably settled and the Taxpayer voluntarily dismissed its Petition.

### ***New Cingular Wireless PCS, LLC v. Florida Department of Revenue***

Division of Administrative Hearings; Case No.: 24-2560

Amount in Controversy: \$3,219,838.97 (refund)

Issue: Sales and use tax refunds.

The Taxpayer is a provider of wireless communication equipment and sells wireless devices and contracts for wireless service. It contests the denial of its refund application for sales and use tax. The refund deals with sales and use tax paid on handheld devices that were returned under the Taxpayer's "turn-in" program. Taxpayer asserts that the "turn-in" transactions should be subject to a refund of sales and use tax because the devices were sold as part of a credit sale.

The case was referred to DOAH on July 11, 2024. On January 14, 2025, DOAH relinquished jurisdiction to the Department. After the DOAH case closed, Taxpayer voluntarily withdrew its Petition.

### ***Nike Retail Services, Inc. v. Florida Department of Revenue***

Division of Administrative Hearings; Case No.: 24-2563

Amount in Controversy: \$1,938,621.81

Issue: Assessment methodologies.

The Taxpayer operates retail stores in Florida. The Taxpayer was assessed sales and use tax in various exhibits. It is contesting the assessment of taxable store sales returns, taxable store sales and exempt store sales, as well as the Department's methodology for the calculation of the assessment. The Taxpayer believes that its self-audit review for the audit period is accurate.

The case was referred to DOAH on July 11, 2024. In November 2024, the parties amicably settled this matter.

### ***Noveed Food Mart, Inc. v. Florida Department of Revenue***

11th Judicial Circuit (Miami Dade County); Case No.: 2023-024864-CA

Amount in Controversy: \$131,738.54

Issue: Sales and use tax collection.

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## SIGNIFICANT LITIGATION AFFECTING REVENUES

The Taxpayer challenges a Notice of Intent to Levy issued by the Department against the Taxpayer on October 9, 2023. The Complaint challenges the amount that the Department contends is due. On December 7, 2023, the Department filed a Motion to Dismiss arguing among other things, that an attempt to contest the basis of the Notice of Intent to Levy (an audit assessment) is now time barred and that the Taxpayer failed to tender the contested sum into the court registry.

On September 23, 2024, the Court granted the Department's Motion to Dismiss.

### ***Oracle America, Inc. v. Florida Department of Revenue***

Division of Administrative Hearings. Case No.: 22-1053

1st District Court of Appeal. Case No.: 1D23-0987 (consolidated with 1D23-1075 and 1D23-1077)

Amount in Controversy: \$739,145 (refund)

Issue: Sales and use tax refunds.

For all three consolidated cases, the same facts are present. Oracle sells electronically-delivered software, hardware (tangible personal property), and maintenance agreements to its customers in furtherance of its various services. Oracle charged SUT on the total sales price and remitted same to the State. Asserting that electronically-delivered software was not taxable, customers requested refunds from Oracle of SUT paid for those portions of their purchases. Oracle subsequently applied to DOR for refunds. The Department denied the refunds based on Oracle failing to first refund the SUT to its customer.

DOAH's Recommended Order (adopted in full by the Department's Final Order) held that the totality of the evidence established that the software sold by Oracle was sold independently of any hardware, was completely optional on the customer's behalf, and was delivered exclusively by electronic means. However, the refund denial was sustained because Oracle failed to first refund the SUT to its customer.

Oracle appealed to the First District Court of Appeal. The three Oracle matters were consolidated at the DCA. In a written decision issued on December 4, 2024, the 1st DCA affirmed the Department's Final Orders.

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Economic and Demographic Research

574 Pepper Building

111 West Madison Street

Tallahassee, FL 32399