



AN ECONOMIC PROPERTY TAX REVIEW OF TEN SELECT FLORIDA COUNTIES



For

FLORIDA ASSOCIATION OF REALTORS

PREPARED BY:

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PREFACE

This report is the second part of a research project sponsored by the Florida Association of REALTORS that focuses on ten select counties. The research is designed to provide a better understanding of the real property tax system by analyzing the various property owner-groups including residential homestead, residential non-homestead, commercial, industrial, agricultural, and government, institutional, and miscellaneous owners. The tax information is provided by just market value, assessed value, and taxable value for Bay, Citrus, Dade, Flagler, Hillsborough, Lafayette, Leon, Okaloosa, Orange, and Palm Beach Counties. In addition, the study provides a review and analysis of the four major components of the new property tax constitutional amendment for the ten selected representative counties. Forecasts are provided for the additional homestead and tangible personal property tax exemptions and for homestead owner portability for each of the counties. It is the hope of the researcher that this analysis will allow more informed discussions concerning the existing and proposed property tax system.

Dr. Gary Jackson

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RESEARCH TEAM

Regional Economic Research Institute (RERI) *is part of the Lutgert College of Business at Florida Gulf Coast University, and represents collaboration with local and regional governments to develop regional models and studies.*

Dr. Gary Jackson (Project Director) is currently the Director of the Regional Economic Research Institute at Florida Gulf Coast University. Dr. Jackson's specialty area is economic analysis and he has conducted extensive research and analysis of numerous industries and organizations. Dr. Jackson earned his Ph.D. in Economics from University of Massachusetts and has been an Assistant Professor of Economics for the University of Tennessee at Chattanooga and is a faculty member of the School of Business at Florida Gulf Coast University. He also has over 23 years experience with the Tennessee Valley Authority in a number of capacities with experience ranging from market analysis and policy, economic forecasting, energy policy, trading and options, to planning and strategic development.

Dr. Arthur Rubens is an Associate Professor of Management in the College of Business and former Director of Sponsored Projects and Programs in the College of Business, Center for Leadership and Innovation, at Florida Gulf Coast University. Dr. Rubens has over 25 years experience as an educator, administrator and consultant having worked with both public and private organizations. Dr. Rubens is experienced in qualitative and quantitative research methods, strategic planning, and quality improvement techniques and practices.

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EXECUTIVE SUMMARY

Florida's property taxes rules and procedures are complex with numerous local taxing authorities, assessment limitations, exemptions, and millage procedures. Property taxes are paid by different property-owner groups including residential homestead owners, residential non-homestead owners, commercial property owners, industrial property owners, businesses with tangible personal property, and agriculture.

The first part of this study reports on an analysis of 2,800,000 county real property records from 2006 for ten representative counties:

- Bay County;
- Citrus County;
- Dade County;
- Flagler County;
- Hillsborough County;
- Lafayette County;
- Leon County;
- Okaloosa County;
- Orange County; and
- Palm Beach County.

For the ten representative counties, the study calculated the total just, assessed, and taxable value by each county for each property-owner group to illustrate the importance of each ownership group to the county's overall real property tax collections. In addition, the percentages of just, assessed, and taxable values are provided to allow the reader to see the impact of assessment limitations and exemptions on the assessed and taxable values by ownership group. (This study does not judge the desirability or undesirability of the assessments or exemptions). The assessment limitations and

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exemptions reduce the relative property tax burden placed on residential homestead owner and increase the relative property tax burden placed on residential non-homestead owner and commercial and industrial owners.

The second part of the study is an analysis and review of the major components of the new property tax constitutional amendment for the same ten selected counties. The new bill passed in late October 2007 places a new property tax constitutional amendment before the Florida voters on January 29, 2008. This new act is to replace previous legislation enacted in June but had been removed by the circuit court from the January constitutional ballot due to a lack of clarity on the wording of the proposed constitutional amendment. The Florida legislature substantially changed the legislation that will be voted on in January, realizing that a large number of voters were not in favor of the previous legislative effort. The proposed constitutional amendment includes four major property tax initiatives that impact homestead property residents, business owners, and non-homestead property owners:

- Additional \$25,000 of Homestead Exemption applied to non-school taxes;
- Save Our Homes Portability of the difference between market value and assessed value;
- \$25,000 exemption for Tangible Personal Property (business);
- A property tax assessment increase limit of 10 percent for non-homestead properties. (Does not apply to school property taxes).

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The legislative staff's preliminary estimates that future tax revenues will be reduced statewide by approximately \$12.3 billion over five years. This study's forecast of portability's property tax revenue reduction was considerably lower than the preliminary legislative staff's forecast. This difference is most likely due to the slower sales and property value appreciation assumptions made by this study for 2008 and 2009.

It is important to note that economists from the legislature and governor staffs held a revenue estimating conference on December 5, 2007 to review and revise their property tax constitutional revenue impact forecasts. They lowered the overall five-year impact from \$12.4 billion to \$9.5 billion (OrlandoSentinel.com, December 8, 2007). The new review lowers the impact of portability from \$5.6 billion over five years to \$2.7 billion. The new revenue impact forecasts are expected to be posted on the Office of Economic & Demographic Research (EDR) Website, <http://edr.state.fl.us/index.html>, sometime after the conference concludes.

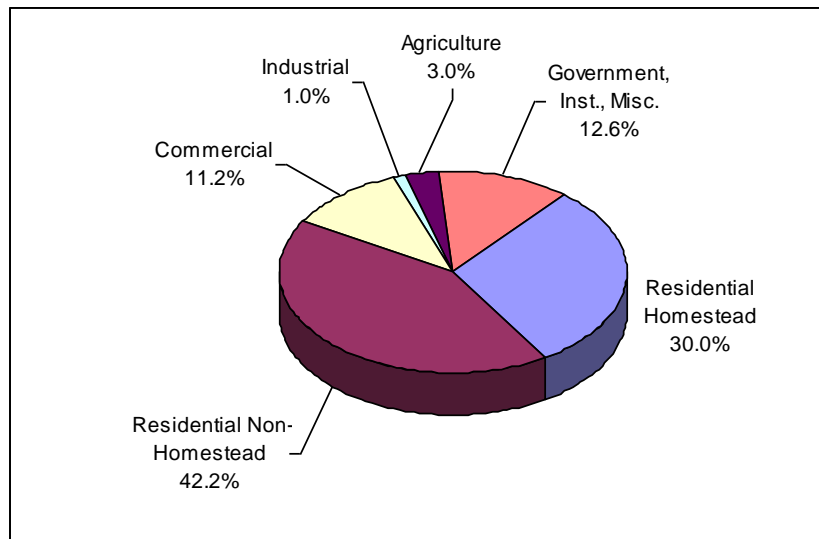
For the purpose of brevity, the executive summary provides summaries for only three counties. However, all 10 counties are described in more detail in the main body of the report. The three selected representative counties are Bay County, Dade County, and Leon County.

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Bay County

The just values for the 2006 Bay County property tax rolls are shown by property owner group. Residential non-homestead owners hold approximately 42 percent of the market value, followed by residential homestead owners at 30 percent and commercial at approximately 11 percent.

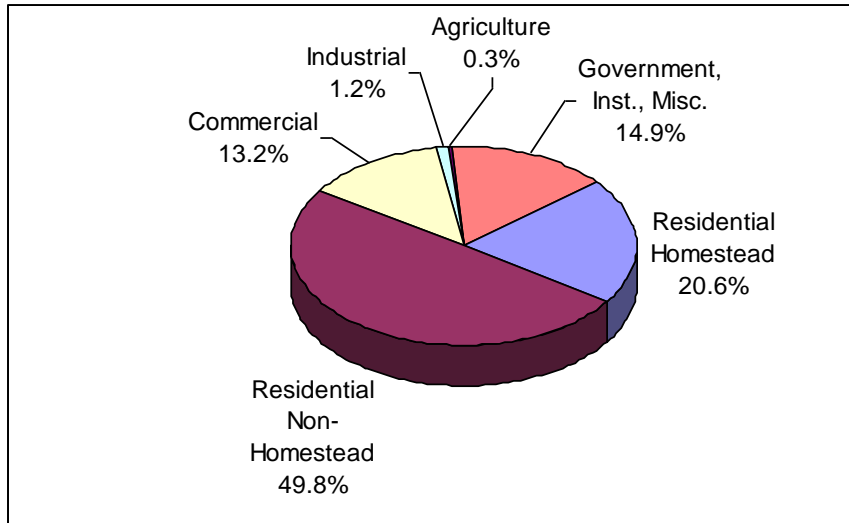
**2006 Bay County
Real Property Just Values by Taxpayer Group**



These percentages change due to assessment limitations such as Save Our Homes and assessments such as agriculture that are based on current use. Residential non-homestead's percentage of assessed value increases to approximately 50 percent and residential homestead value falls to approximately 21 percent of the total assessed value. Similarly, commercial sees its share of assessed value increase to approximately 13 percent.

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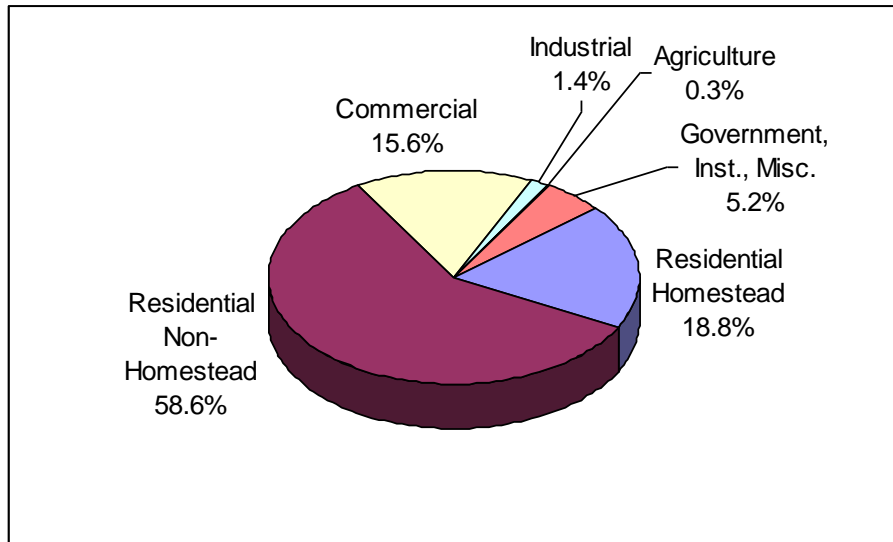
2006 Bay County Real Property Tax Assessed Values by Taxpayer Category



The taxable values, or tax base, are the assessed property values minus exemptions such as homestead, disability, and others. The 2006 Bay County residential non-homestead taxable value increases to approximately 59 percent from the assessed value of approximately 49 percent, while the residential homestead value falls to approximately 19 percent from the assessed value percentage of approximately 21 percent. Commercial property taxable value increases to approximately 16 percent of the total taxable value for Bay County.

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2006 Bay County Real Property Taxable Values by Taxpayer Category



The Bay County property tax revenue reduction forecasts for the proposed constitutional amendment are provided in the following tables. The additional \$25,000 homestead exemption only applies to non-school property taxes, so that the average Bay County homestead resident will receive a tax reduction of approximately \$130 assuming preliminary 2007 millage rates. The additional \$25,000 property tax homestead exemption reduces future projected real property tax revenues for Bay County by approximately \$4.3 million in 2008 increasing to \$5.2 million in 2017 as the number of homestead owners increases over time. A proposed \$25,000 tangible personal property tax exemption will reduce a Bay County business's taxes by up to \$288. The Bay County tax revenue impacts for the loss of tangible personal property taxes from businesses are approximately \$1.5 million.

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Bay County
Medium Case Forecast
Overall Reduction in Future Tax Revenues

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Personal Property Tax Exemption of \$25,000 (Millions \$)
2008	\$4.3	\$1.4
2009	\$4.4	\$1.4
2010	\$4.5	\$1.4
2011	\$4.6	\$1.5
2012	\$4.7	\$1.5
2013	\$4.8	\$1.5
2014	\$4.9	\$1.5
2015	\$5.0	\$1.5
2016	\$5.1	\$1.6
2017	\$5.2	\$1.6

The proposed constitutional amendment includes *homestead portability*. This amendment will allow homestead owners to transfer the difference between their just value and assessed value created by the Save Our Homes assessment limitations to a new homestead within two years of giving up or selling their homestead property. The total difference is transferable up to \$500,000 if the new homestead property's just or market value is the same or a higher value. In addition, a proportional transfer will be allowed for a homestead owner who downsizes to a new homestead that has a market value less than the existing homestead.

Thus, an average Bay County homestead owner has a Save Our Home differential between the just and assessed value of approximately \$80,000, which means if they transfer the benefit to a new home of greater value, they will save about \$920 per year in property taxes. If a homestead owner downsizes, to home that is 80

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percent of the home that they sell, then only 80 percent of the Save Our Home differential would be eligible for transfer. A range of Bay County tax revenue reduction forecasts is provided in the following table to capture the uncertainty concerning property appreciation rates and the tenure of homestead owners. The medium case for portability is a \$0.7 million dollar tax reduction in 2008 rising to \$12.3 million in 2017. The high case for portability forecasts a reduction of \$0.8 million in 2008 rising to \$19.5 million in 2017 and the low case has a reduction of \$0.7 million in 2008 rising to \$8.2 million in 2017.

Bay County's Portability Economic Impact			
Estimated Reduction in the Growth of Property Taxes			
(Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$0.7	\$0.7	\$0.8
2009	\$1.5	\$1.8	\$2.3
2010	\$2.3	\$2.8	\$3.8
2011	\$3.1	\$4.0	\$5.5
2012	\$3.9	\$5.2	\$7.4
2013	\$4.8	\$6.4	\$9.4
2014	\$5.6	\$7.8	\$11.6
2015	\$6.4	\$9.2	\$14.0
2016	\$7.3	\$10.7	\$16.6
2017	\$8.2	\$12.3	\$19.5

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit will most likely have its strongest effect in periods of very rapid property price appreciation, although there will likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property

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appreciation times. It needs to be noted that the benefits and costs of this provision are difficult to forecast, since the forecaster has to estimate the distribution of price increases for the various properties and the timing of the increases. This information was not available to the author using just the 2006 property tax rolls. The preliminary estimates from the legislative staff were \$0.3 million in 2009 increasing to \$3.6 million by 2012.

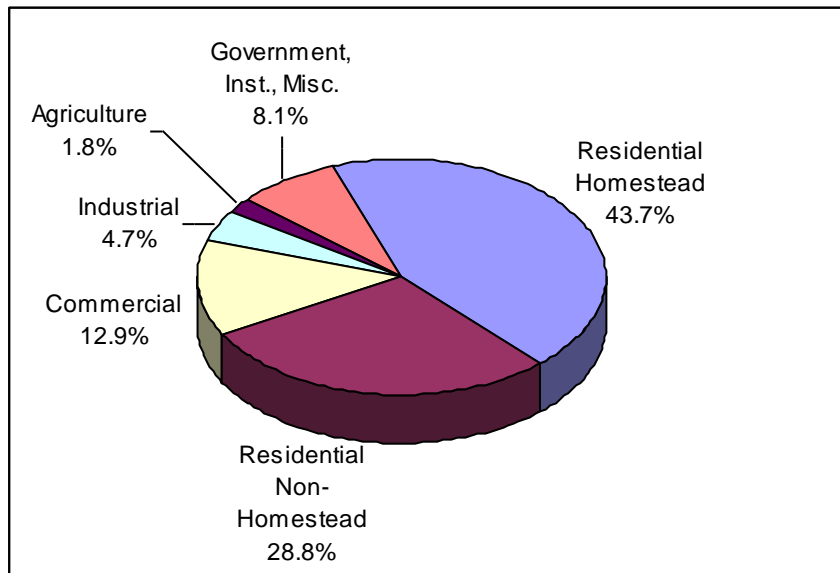
Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the Bay County tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$6.4 million in 2008 increasing to \$15.0 million in 2012 for Bay County.

Dade County

The just values for the 2006 Dade County property tax rolls are shown by property owner group. Residential homestead owners hold approximately 44 percent of the market value followed by residential non-homestead owners at 29 percent and commercial at approximately 13 percent.

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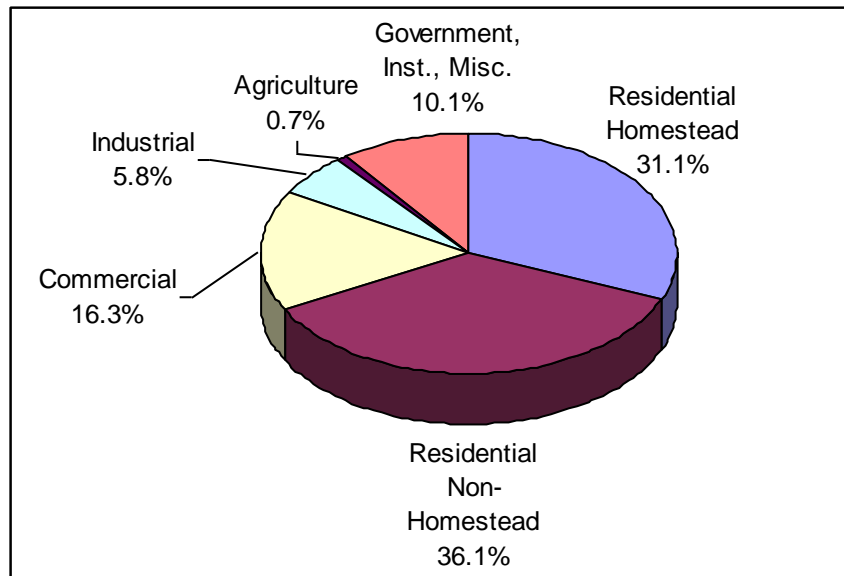
2006 Dade County Real Property Just Values by Taxpayer Group



These percentages change due to assessment limitations such as Save Our Homes and other assessments such as agriculture that are based on current use. Residential non-homestead's percent of assessed value increases to approximately 36 percent and residential homestead falls to approximately 31 percent of the total assessed value. Commercial sees its share of total assessed value increase to approximately 16 percent.

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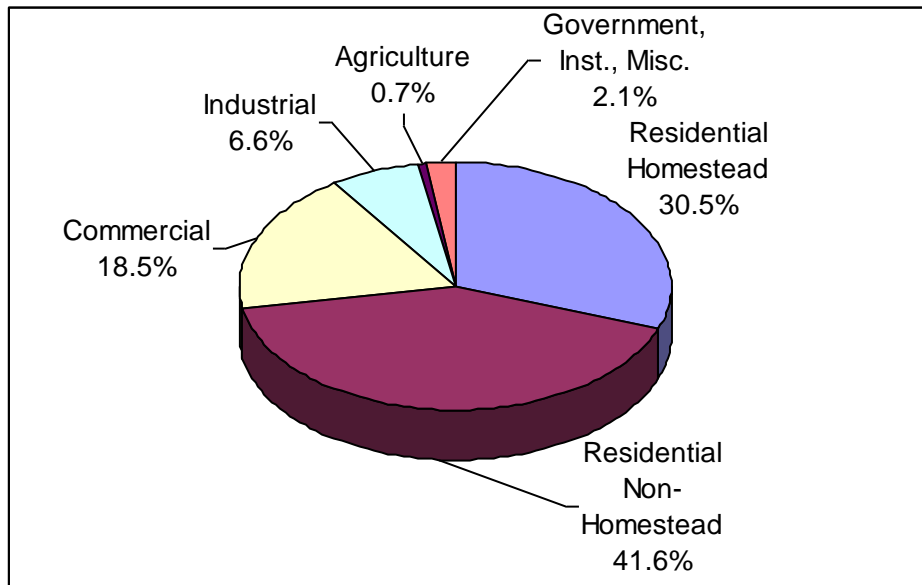
2006 Dade County Real Property Tax Assessed Values by Taxpayer Category



The taxable values or tax base are the assessed property values minus exemptions such as homestead, disability, and others. The 2006 Dade County residential non-homestead taxable value increases to approximately 42 percent from the assessed value of approximately 36 percent, while the residential homestead value falls to approximately 19 percent from the assessed value percentage of approximately 31 percent. Commercial property taxable value increases to approximately 19 percent of the total taxable value for Dade County.

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2006 Dade County Real Property Taxable Values by Taxpayer Category



The Dade County property tax revenue reduction forecasts for the proposed constitutional amendment are provided in the following tables; however, the additional \$25,000 homestead exemption only applies to non-school property taxes so that the average Dade County homestead resident will receive a tax reduction of approximately \$287, assuming preliminary 2007 millage rates. The additional \$25,000 property tax homestead exemption reduces future projected real property tax revenues for Dade County by approximately \$129 million in 2008 increasing to \$157 million in 2017 as the number of homestead owners increases over time. A proposed \$25,000 tangible personal property tax exemption will reduce a Dade County business's taxes by up to \$485. The Dade County tax revenue impacts of the tangible personal property tax exemption are approximately \$22 million in 2008 increasing to approximately \$26 million in 2017.

**Dade County
Medium Case Forecast
Overall Reduction in Future Tax Revenues**

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$129.1	\$22.3
2009	\$131.1	\$22.6
2010	\$133.4	\$23.0
2011	\$136.5	\$23.3
2012	\$139.7	\$23.6
2013	\$142.9	\$24.0
2014	\$146.2	\$24.4
2015	\$149.5	\$24.7
2016	\$153.0	\$25.1
2017	\$156.5	\$25.5

The proposed constitutional amendment includes homestead portability which will allow homestead owners to transfer the difference between their just value and assessed value created by the Save Our Homes assessment limitations to a new homestead within two years of giving up or selling their homestead property. The total difference is transferable up to \$500,000 if the new homestead property's just or market value is the same or a higher value. A proportional transfer will be allowed for a homestead owner who downsizes to a new homestead that has a market value less than the existing homestead. Therefore, an average Dade County homestead owner has a Save Our Home differential between the just and assessed value of about \$130,000, so if they transfer the benefit to a new home of greater value, they will save about \$2,500 per year in property taxes. A range of forecasts is provided in table

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below and the forecast tax revenue impacts are based on a range of property value appreciation rates and the percentage of properties that sell each year. The medium case for portability is an \$21.7 million dollar tax reduction in 2008 rising to \$366.6 million in 2017. The high case for portability forecasts a reduction of \$22.8 million in 2008 rising to \$577.3 million in 2017 and the low case has a reduction of \$21.2 million in 2008 rising to \$245.1 million in 2017.

Dade County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$21.2	\$21.7	\$22.8
2009	\$45.1	\$53.1	\$67.8
2010	\$69.2	\$85.2	\$114.4
2011	\$93.5	\$119.1	\$165.0
2012	\$118.0	\$154.8	\$220.0
2013	\$142.8	\$192.5	\$279.8
2014	\$167.9	\$232.3	\$344.9
2015	\$193.3	\$274.5	\$415.8
2016	\$219.0	\$319.2	\$493.1
2017	\$245.1	\$366.6	\$577.3

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is most likely to have its strongest effect in periods of very rapid property price appreciation but there will likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the

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increases. However, this information was not available to the author using just the 2006 property tax rolls. The preliminary estimates from the legislative staff for Dade County were \$9.1 million in 2009 increasing to \$94.3 million by 2012.

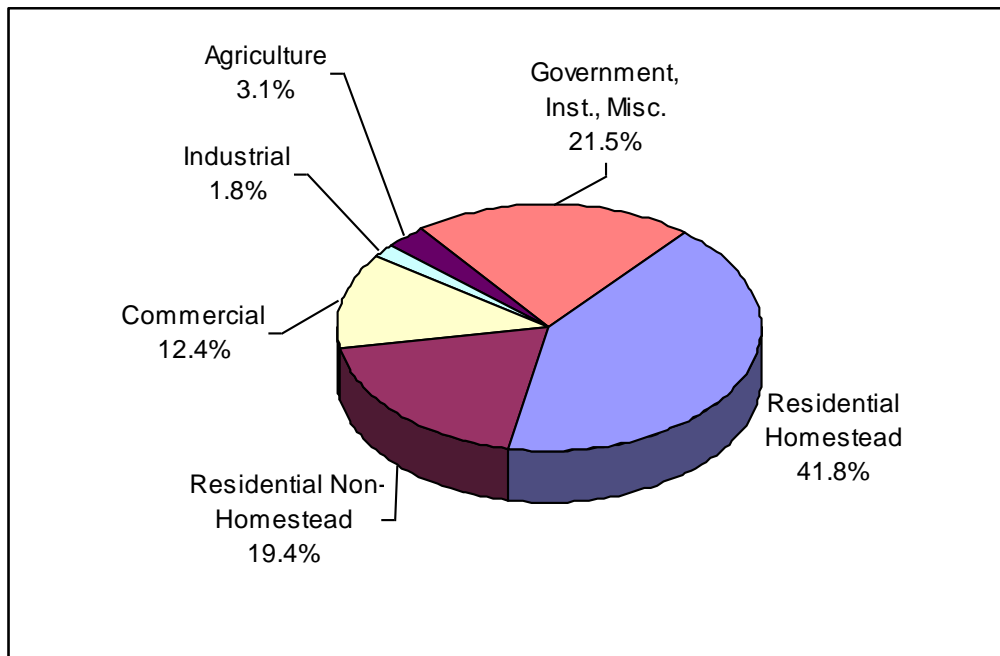
Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$173.1 million in 2008 increasing to \$412.4 million in 2012 for Dade County.

Leon County

The just values for the 2006 Leon County property tax rolls are shown by property owner group. Residential homestead owners hold approximately 42 percent of the market value, followed by residential non-homestead owners at 19 percent and commercial at approximately 12 percent. The government, institutional and miscellaneous property owner group is large at approximately 22 percent since Leon County includes Florida's state capital and the accompanying state offices.

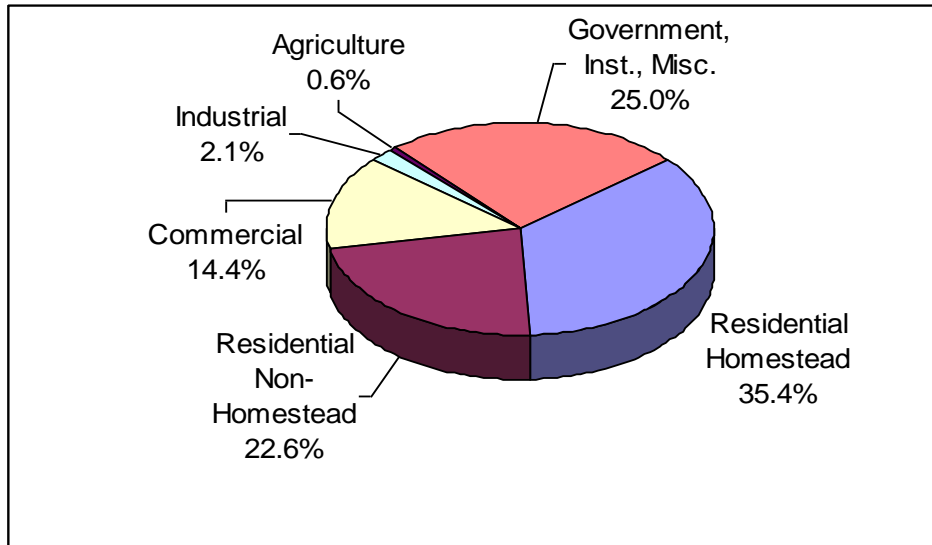
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2006 Leon County Real Property Just Values by Taxpayer Group



These percentages change due to assessment limitations such as Save Our Homes and assessments based on current use. Residential non-homestead's percent of assessed value increases to approximately 23 percent and residential homestead falls to approximately 35 percent of assessed value. Commercial sees its share of assessed value increase to approximately 14 percent.

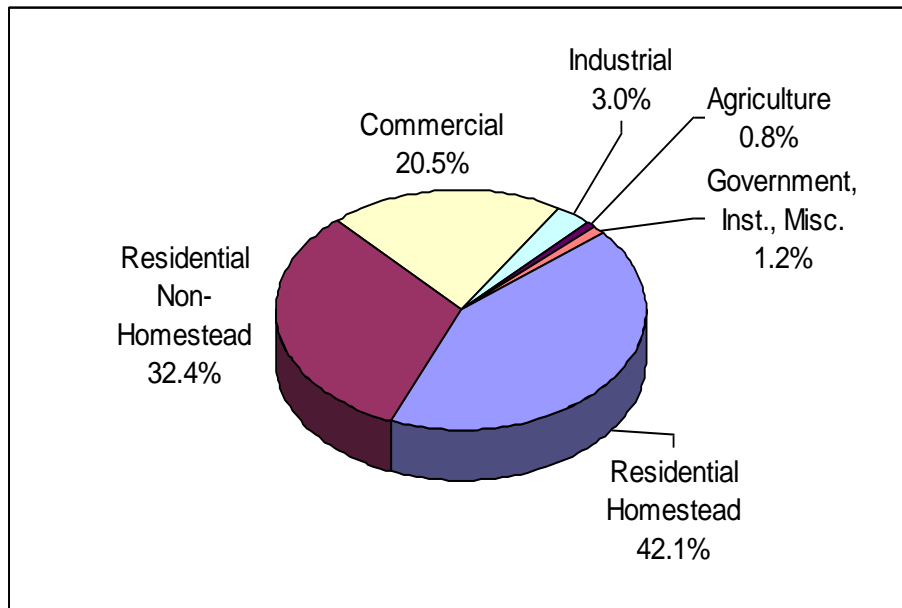
**2006 Leon County
Real Property Tax Assessed Values by Taxpayer Category**



The taxable values or tax base is the assessed property values minus exemptions such as homestead, disability, and others. The 2006 Leon County residential non-homestead taxable value increases to approximately 32 percent from the assessed value of approximately 23 percent. The residential homestead value increases to approximately 42 percent from the assessed value percentage of approximately 35 percent. Commercial property taxable value increases to approximately 20 percent of the total taxable value for Leon County.

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2006 Leon County Real Property Taxable Values by Taxpayer Category



The Leon County property tax revenue reduction forecasts for the proposed constitutional amendment are provided in the following tables. The additional \$25,000 homestead exemption only applies to non-school property taxes so that the average Leon County homestead resident will receive a tax reduction of approximately \$235 assuming preliminary 2007 millage rates. The additional \$25,000 property tax homestead exemption reduces future projected real property tax revenues for Leon County by approximately \$12.1 million in 2008 increasing to \$14.7 million in 2017 as the number of homestead owners increases over time. A proposed \$25,000 tangible personal property tax exemption will reduce business taxes by up to \$434 per year. The Leon County tax revenue impacts are approximately \$2.3 million in 2008 increase slowly to \$2.6 million in 2017.

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Leon County Medium Case Forecast Overall Reduction in Future Tax Revenues

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$12.1	\$2.3
2009	\$12.3	\$2.3
2010	\$12.5	\$2.4
2011	\$12.8	\$2.4
2012	\$13.1	\$2.4
2013	\$13.4	\$2.5
2014	\$13.7	\$2.5
2015	\$14.0	\$2.6
2016	\$14.4	\$2.6
2017	\$14.7	\$2.6

The proposed constitutional amendment includes homestead portability which will allow homestead owners to transfer the difference between their just value and assessed value created by the Save Our Homes assessment limitations to a new homestead within two years of giving up or selling their homestead property. The total difference is transferable up to \$500,000 if the new homestead property's just or market value is the same or a higher value. A proportional transfer will be allowed for a homestead owner who downsizes to a new homestead that has a market value less than the existing homestead. An average Leon County homestead owner has a Save Our Home differential between the just and assessed value of about \$50,000 so if they transfer the benefit to a new home of greater value, they will save about \$865 per year in property taxes. As with the other previously mentioned counties, a range of forecasts is provided in table below and the forecast tax revenue impacts are based on a range of property value appreciation rates and the percentage of properties that sell

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each year. The medium case for portability is an \$1.0 million dollar tax reduction in 2008 rising to \$18.3 million in 2017. The high case for portability forecasts a reduction of \$1.0 million in 2008 rising to \$31.5 million in 2017 and the low case has a reduction of \$0.9 million in 2008 rising to \$10.9 million in 2017.

Leon County's Portability Economic Impact			
Estimated Reduction in the Growth of Property Taxes			
(Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$0.9	\$1.0	\$1.0
2009	\$2.0	\$2.4	\$3.1
2010	\$3.0	\$3.8	\$5.4
2011	\$4.1	\$5.4	\$7.9
2012	\$5.2	\$7.2	\$10.8
2013	\$6.3	\$9.1	\$14.1
2014	\$7.4	\$11.1	\$17.7
2015	\$8.5	\$13.3	\$21.8
2016	\$9.7	\$15.7	\$26.4
2017	\$10.9	\$18.3	\$31.5

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is most likely to have its strongest effect in periods of very rapid property price appreciation but there will likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. This information was not available to the author using just the 2006 property

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tax rolls. The original estimates from the legislative staff for Leon were \$0.4 million in 2009 increasing to \$4.1 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$15.4 million in 2008 increasing to \$26.8 million in 2012 for Leon County.

In summary, the proposed constitutional amendment includes portability and a non-residential property assessment property value increase limit of ten percent per year. Both of these changes are considered to be major changes to Florida's property tax system. However, it is very likely that additional discussion and recommendations for changes to the property tax system and the sales tax system will continue in the next legislative session scheduled for the spring of 2008. It is the authors and the study purpose, that this analysis will allow a more informed discussion concerning the existing and proposed property tax systems.

1.0 Introduction

The first part of this study reports on an analysis of 2,800,000 2006 final county real property records for ten representative counties including:

- Bay County;
- Citrus County;
- Dade County;
- Flagler County;
- Hillsborough County;
- Lafayette County;
- Leon County;
- Okaloosa County;
- Orange County; and
- Palm Beach County.

The final 2006 tax roll records for the selected counties are disaggregated by ownership type for three different values:

- Just market value,
- Assessed value and
- Taxable value.

The breakdown of the ownership types includes residential homestead, residential non-homestead, commercial, industrial, agricultural, and government, institutional, and miscellaneous.

The assessed value results in a reduction of the just market values based on assessment limitations such as Save Our Homes for residential homestead owners and current use limitations such as for agriculture. The total just and assessed values by ownership type are provided for each of the ten selected counties. There are numerous

exemptions that reduce assessed value to taxable value. The 2006 tax rolls for each county are analyzed to provide the taxable value by ownership type. Exemptions include exclusions from taxes such as the \$25,000 homestead exemption and additional exemptions for charity, disabled, historic, and government. The assessment limitations and exemptions reduce the relative property tax burden placed on the residential homestead owner and increase the relative property tax burden placed on the residential non-homestead owner and the commercial and industrial property owner. This study provides an analysis of the *change in relative tax burden* for ten select counties.

The Florida Legislature passed a new property tax reform act in late October 2007 to replace previous legislation enacted in June but had been removed by the Circuit Court from the January constitutional ballot due to a lack of clarity on the wording of the proposed amendment. The legislature substantially changed the legislation realizing that a large number of voters were not in favor of the previous legislative effort.

Four major property tax initiatives are proposed that impact homestead property residents, business owners, and non-homestead property owners and will be subject to voter approval on January 29, 2008:

- Additional \$25,000 of Homestead Exemption applied to non-school taxes;
- Save Our Homes Portability of the difference between market value and assessed value;
- \$25,000 exemption for Tangible Personal Property (business);and
- A property tax assessment increase limit of 10 percent for non-homestead properties.

Proposed \$25,000 Homestead and \$25,000 Tangible Personal Property Tax Exemptions

An additional \$25,000 homestead exemption will be allowed if the new property tax constitutional amendment is approved by voters on January 29, 2008. The additional homestead exemption applies only to assessed values greater than \$50,000 and to non-school taxes. It provides the typical Florida homestead owner with approximately \$240 per year in property tax savings. The existing or original homestead exemption will continue to be available and is worth approximately \$425 in property tax savings to a typical Florida homestead owner.

There has been considerable debate over the last several years about the need to increase the homestead exemption that was originally passed in 1982 and has not been increased to keep up with inflation. The original homestead exemption would have had to increase to \$54,000 in 2007 to maintain its original purchasing power. The new homestead exemption increased the overall homestead exemption to \$50,000 for non-school property taxes and leaves the homestead exemption at \$25,000 for school property taxes.

The new constitutional amendment includes a \$25,000 tangible personal property tax exemption that will reduce a typical business's property taxes by up to \$425 per year. Unlike the additional homestead exemption, the new tangible personal property tax exemption applies to school and non-school property taxes. A large number of businesses will also not have to file tangible personal property tax returns if

they have less than \$25,000 in tangible personal property such as computers and office equipment, saving the owners the expense of preparing the returns.

Proposed Homestead Portability

Portability will allow Florida homestead owners to transfer all or part of their accumulated Save Our Homes (SOH) benefit to a new Florida residence within two years of giving up or selling their homestead property. The accumulated SOH benefit is the difference between the just or market value and the assessed value of the homestead.

$$\text{SOH Benefit} = \text{Just Value} - \text{Assessed Value}$$

A homeowner can transfer his or her accumulated SOH benefit to a more expensive home up to an overall limit of \$500,000. If a homeowner purchases a less expensive home, a portion of the SOH benefit can be transferred. The homestead owner is allowed to transfer an amount of SOH benefit so that the new homestead has the same percentage of assessed value to just value as the homestead being sold or being released. The provision is retroactive to 2007 so those owners who sell or sold their homestead in 2007 will be eligible. Previous proposals had placed limits on portability such as only allowing transfers for moves within the existing county or for a certain age group, but this provision allows a homestead owner to relocate anywhere in Florida and transfer part or all of his or her SOH benefit.

Without portability, when a homestead owner sold and purchased a new homestead, the property and assessed value of the new homestead would be set to market at the time of purchase. Over time the assessment limits of Save Our Homes would be expected to create a divergence between the market and assessed value. The implementation of portability would be expected to reduce the overall growth in property taxes since portability would allow homestead owners to maintain the benefits of SOH over a longer period of time. In effect, portability eliminates recapture of the existing SOH benefit when a homestead is sold and another purchased in effect tying it to the homestead owner. Some examples may be helpful.

Example

The average homestead just value for Hillsborough County in 2006 was \$216,005 with an assessed value of \$139,490 so the average SOH portability assessment reduction benefit can be as high as \$76,515. If an average Hillsborough County homestead owner purchases a homestead with a higher just value, the owner can transfer the \$76,515 assessment reduction to his new homestead within two years giving up or the sale of his original homestead. The \$76,515 reduction in assessed value would be worth approximately \$1,500 in reduced taxes per year based on average millage rate of 20.5 for Hillsborough County. If the average homestead owner downsized to a less expensive homestead, the owner can transfer part of the reduced assessment from the original homestead. Assume that the owner purchases a new Florida homestead for \$150,000 which is about 69 percent of the total just value of the original homestead that was valued at \$216,005. The reduced assessment that can be transferred is 69.4 percent of \$76,515 or \$53,134. This would translate into a tax savings of \$1,089 per year based on the 2007 preliminary millage rate of 20.5 for Hillsborough County.

The current Florida property tax system has not allowed portability, so many homestead owners have built up a sizeable SOH assessment benefit that translates into lower property taxes. The reduced taxes can lead to what is known a “Lock-In” where homestead owners are less likely to move due to the loss of the tax benefits which are

tioned to their existing homestead. Portability should result in a reduction of homestead owner tax losses from moving and reduce homestead tenure over time as homesteaders seek out homesteads that meet their current needs. Homeowners generally want to “right size” their home as work locations change, their family size changes, or as they seek to retire in another location.

Hillsborough County’s average homestead ownership tenure based on the 2006 property tax rolls was approximately ten years. For example, a California study estimated that for every \$1000 in tax savings per year that California homestead owner’s tenure increased by approximately one year (Wasi and White, 2005). If one were to assume that this study’s estimates for tenure change can be applied to Hillsborough County, it suggests that the tenure for Hillsborough County would fall by about one year in the long run. In the short term, the Florida housing market is in a period of readjustment after several boom years ending in 2005. There is considerable uncertainty about future inflation, falling real estate prices, future interest rates, high oil prices, and credit issues, as well as a large inventory of existing homes. The existing short-run slowdown in the housing market can be expected to last through 2009.

A U.S. Census study on moving was released on October 16, 2007 as part of the Current Population Survey (U. S. Census, 2006). It provides some insight on where people are moving. The estimates were for the South region showed that 56.6 percent of the people moved within their county, 23.2 percent moved to a different county within the state, and 20.2 percent moved out of state. Those who move out of state will not be eligible to transfer their SOH benefit. In addition, some homeowners will sell and not

purchase another home within two years of giving up or selling their homestead property. If one assumes that an additional 15 percent of the sales or transfers are not followed by a new homestead purchase within the required two years, the percent of homestead owners expected to transfer some portion of the SOH assessment benefit will be approximately 65 percent of those who sell in any year. The proportional transfer requirement applies when a homestead owner downsizes his or her homestead. If one assumes that approximately 30 percent of the new homesteads are downsized and their average value is 70 percent of the previous homes value, then approximately 60 percent of the average SOH assessment benefit will be expected to be transferred to a new homestead.

In addition, tax data rolls for 10 representative counties were analyzed to determine what percentage of homesteaded residential living quarters. Approximately 65 percent of the living quarters in the ten counties were found to be homesteaded. This excludes residential vacant parcels that are not eligible for the homestead exemption. A range of forecasts was developed to capture the range of uncertainty concerning the annual growth rate in just or market value and the percentage of existing homes expected to be sold each year. A range of three to seven percent long-run annual appreciation of just values was used to generate the range of forecasts. In addition, the annual appreciation of property values for 2008 was held to a range of one to three percent due to the current slowdown in the housing market with recovery predicted to more normal levels in 2009. The sales of existing homes were also varied with the low case having four percent sales of existing homesteads, the medium case

had five percent sales per year, and the high case had 6.7 percent sales per year. This represents an annual average tenure range for homestead owners of 7.5 to 12.5 years.

The annual growth in assessed values was held constant across the range of forecasts using a value of 2.5 percent per year. The number of new homesteads from construction and from additional homeowners electing to file homestead exemptions on their existing property was assumed to start initially at two percent and gradually increases to three percent of the existing homestead parcels and was held constant over the three forecasts. These assumptions result in an increase in the total number of homestead parcels of 1.5 to 2.0 percent per year which is consistent with current population forecasts (see EDR, 2007).

It should be noted that these forecasts are lower than the preliminary forecasts provided by the legislative staff. The lower forecasts made by this study reflect the slowdown in the housing market that has reduced the number of housing sales and the forecast price increases.

Proposed Non-Homestead Property tax assessment cap of 10 percent per year

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies and would begin in 2009 and expire in ten years unless extended by voters. The limit will likely have its strongest impact during times of very rapid property price appreciation but certain properties will increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. However, historic

Information on the increases by property parcel was not available to the author using the 2006 property tax rolls.

There had been discussion of setting the limit at five or seven percent, which would have substantially increased the overall property tax impact. The likelihood of a significantly higher impact than forecast depends on a period of rapid price increases. If one assumes that recapture will exist for the non-homestead properties similar to homestead properties, this provision may apply some years limiting assessed value and be recaptured in other years. Recapture is a provision to allow the assessed value to catch up or close the gap with the just or market value. It would apply in those years when property values rise less than 10 percent. The 10 percent limit would help to smooth out rapid increases in assessed value over time.

2.0 County Analysis Forecast

The second part of the economic study sponsored by the Florida Association of Realtors focuses on the property taxes for the ten select representative Florida counties

- Bay County;
- Citrus County;
- Dade County;
- Flagler County;
- Hillsborough County;
- Lafayette County;
- Leon County;
- Okaloosa County;
- Orange County; and
- Palm Beach County.

This study analyzed the 2006 final county property tax rolls for the selected counties and taxpayer categories including residential homestead, residential non-homestead, commercial, industrial, agriculture, and government, institutional, and miscellaneous. In addition, the October 2007 legislative staff analysis, using 2007 preliminary tax roll data, was used to supplement the existing 2006 property tax roll information. The report includes the following for each of the respective counties:

- The 2006 total just values and percent of total just values by taxpayer category
- The 2006 total assessed values and percent of assessed values by taxpayer category
- The 2006 total taxable values and percent of taxable values by taxpayer category
- A ten-year forecast for the proposed new homestead property tax exemption
- A ten-year forecast for the proposed new tangible personal property tax exemption
- A ten-year forecast for the new portability provisions of the proposed constitutional amendment.
- A review and discussion of the proposed 10 percent limit per year on non-homestead assessment increases.

Just values are estimated market values for the real estate parcels. The assessed values are reductions from just value created by programs that limit increases in assessed values such as Save Our Homes or when property is valued at lower value based on current use instead of highest and best use, such as for agriculture. Finally, the taxable value by taxpayer category is provided which is assessed value minus any exemptions such as homestead exemption or an exemption for senior citizens or disabled. The taxable value is the value that the millage rates are applied to determine the property tax that will be owed to the local taxing authorities such as the city or county. This analysis provides a snapshot of the reductions that are made by taxpayer category as one moves from market value to assessed value and finally to taxable value.

Ten-year tax revenue forecasts by county are provided for the \$25,000 additional homestead exemption, the \$25,000 tangible personal property tax, and the portability provisions. The legislative staff forecasts for the ten-percent cap on non-homestead property are also provided and discussed.

2.1 BAY COUNTY

Analysis of 2006 Property Tax Rolls

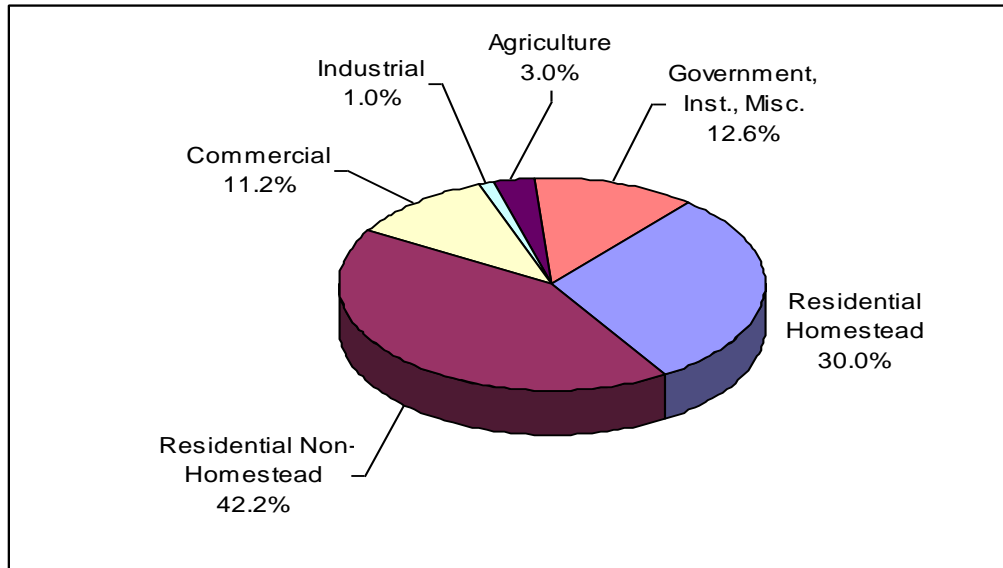
The analysis for Bay County included approximately 108,000 property records with a market or just value of over \$24.2 billion, as shown in Table 1 and plotted in Figure 1. The majority of market value or 42 percent of the total value is contained in residential non-homestead properties which are valued at approximately \$10.2 billion. Homestead residential property accounts for the next largest share, with \$7.3 billion

dollars or approximately 30 percent of the total property value. The commercial property accounts for \$2.7 billion in value or approximately 11 percent of the total market value for Bay County. Industrial properties were valued at \$250 million or approximately one percent of the total just value. Agriculture properties have three percent of Bay County's total just value or \$717 million. Government, institutional, and miscellaneous property categories account for \$3.0 billion of the total market value of property or approximately 13 percent of the total value.

Table 1
2006 Bay County
Real Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$7,265,201,571	30.0%
Residential Non-Homestead	\$10,209,002,240	42.2%
Commercial	\$2,717,023,294	11.2%
Industrial	\$249,843,468	1.0%
Agriculture	\$716,507,467	3.0%
Government, Inst., Misc.	\$3,048,516,563	12.6%
Total	\$24,206,094,603	100.0%

Figure 1
2006 Bay County
Real Property Just Values by Taxpayer Group



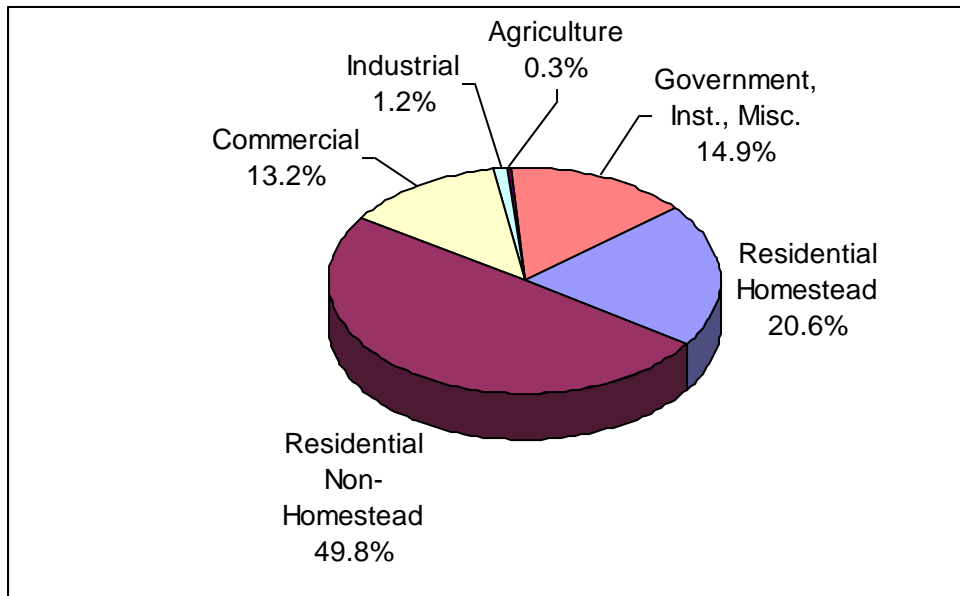
The assessed values for Bay County properties are shown in Table 2 and plotted in Figure 2. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and current use values such as agricultural assessments. Residential homestead property values made up 30 percent of just values but only 21 percent of the assessed values. The Bay County residential non-homestead group had 42 percent of the just value and their share of the assessed value increases to 50 percent. Commercial properties account for approximately 11 percent of the just value and 13 percent of the assessed value in 2006. The industrial properties account for 1.0 percent of the just value and 1.2 percent of the assessed value for Bay County. Agriculture accounts for three percent of the just value and only three-tenths of one percent of the county's assessed value. The

government, institutional, and miscellaneous category makes up 12.6 percent of the county's just value and 14.9 percent of the assessed value.

Table 2
2006 Bay County
Real Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$4,218,784,048	20.6%
Residential Non-homestead	\$10,201,405,846	49.8%
Commercial	\$2,711,319,570	13.2%
Industrial	\$249,776,478	1.2%
Agriculture	\$55,278,587	0.3%
Government, Inst., Misc.	\$3,047,319,092	14.9%
Total	\$20,483,883,621	100.0%

Figure 2
2006 Bay County
Real Property Tax Assessed Values by Taxpayer Category

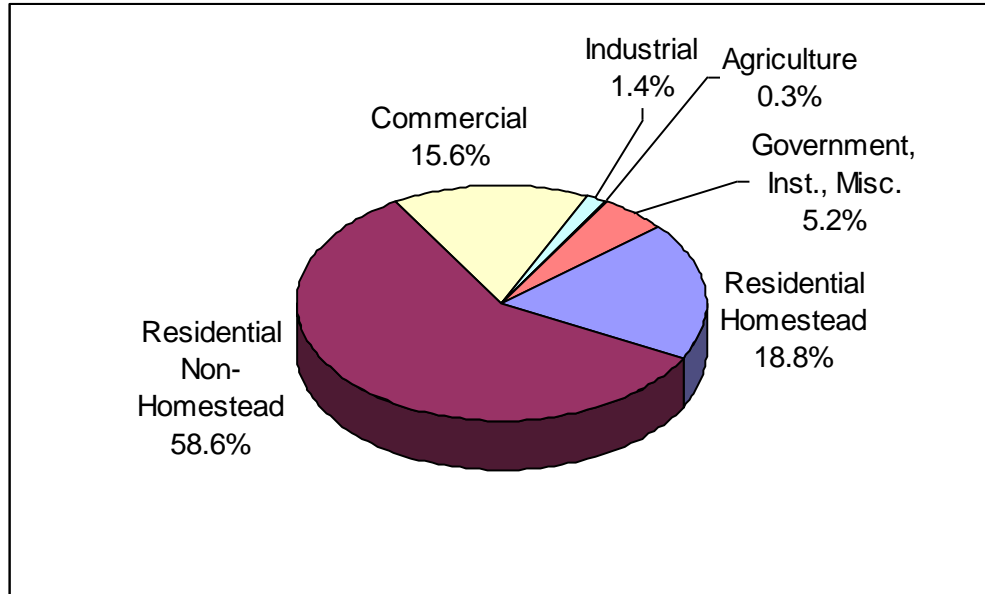


The average taxable values for Bay County are shown in Table 3 and plotted in Figure 3 by taxpayer category. Taxable values are the assessed values minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Bay County residential homestead property is approximately \$3.2 billion and accounts for 19 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$10.0 billion or 59 percent of the tax base or taxable value. Commercial properties account for \$2.7 billion or approximately 16 percent of the Bay County property tax base in 2006. The industrial property's taxable value is \$235 million or only 1.4 percent of the total taxable value in Bay County. Agriculture taxable values account for \$51 million or approximately three-tenths of one percent of the county's tax base. The government, institutional, and miscellaneous category had \$894 million in taxable value or 5.2 percent of the total taxable value in 2006.

Table 3
2006 Bay County
Real Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$3,215,698,572	18.8%
Residential Non-Homestead	\$10,007,772,196	58.6%
Commercial	\$2,669,581,282	15.6%
Industrial	\$235,193,973	1.4%
Agriculture	\$50,962,405	0.3%
Government, Inst., Misc.	\$894,446,215	5.2%
Total	\$17,073,654,643	100.0%

Figure 3
2006 Bay County
Real Property Taxable Values by Taxpayer Category



Bay County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the total exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Bay County was 5.02, so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$130 per year. Approximately eight percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenue is shown in Table 4 and begins at \$4.3 million and gradually increases as the number of homesteads grow over time.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 12,165 businesses in Bay County with a typical business receiving a reduction in taxes of approximately \$288. The overall reduction in Bay County property taxes due to the new tangible personal property tax exemption is also shown in Table 4 and is approximately \$1.5 million per year. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible property tax forms will be eliminated for approximately 9,651 Bay County businesses who declared less than \$25,000 in tangible personal property tax.

**TABLE 4
Bay County
Medium Case Forecast
Overall Reduction in Future Tax Revenues**

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Personal Property Tax Exemption of \$25,000 (Millions \$)
2008	\$4.3	\$1.4
2009	\$4.4	\$1.4
2010	\$4.5	\$1.4
2011	\$4.6	\$1.5
2012	\$4.7	\$1.5
2013	\$4.8	\$1.5
2014	\$4.9	\$1.5
2015	\$5.0	\$1.5
2016	\$5.1	\$1.6
2017	\$5.2	\$1.6

A range of economic impacts of portability on the Bay County property tax increases are shown below in Table 5. The low case assumes that property values increase slowly at around three percent in the long run, while Save Our Homes limits

the increase in assessed value to two and one-half percent per year. The medium case assumes that property values increase at five percent in the long run and the high case assumes increases of seven percent in just or market value in the long run.

Although property tax revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time. The medium case for portability is an \$0.7 million dollar tax reduction in 2008 rising to \$12.3 million in 2017. The high case for portability forecasts a reduction of \$0.8 million in 2008 rising to \$19.5 million in 2017 and the low case has a reduction of \$0.7 million in 2008 rising to \$8.2 million in 2017.

Table 5

Bay County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$0.7	\$0.7	\$0.8
2009	\$1.5	\$1.8	\$2.3
2010	\$2.3	\$2.8	\$3.8
2011	\$3.1	\$4.0	\$5.5
2012	\$3.9	\$5.2	\$7.4
2013	\$4.8	\$6.4	\$9.4
2014	\$5.6	\$7.8	\$11.6
2015	\$6.4	\$9.2	\$14.0
2016	\$7.3	\$10.7	\$16.6
2017	\$8.2	\$12.3	\$19.5

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is most likely to have its strongest effect in periods of very rapid property price appreciation but there will

likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. This information was not available to the author using just the 2006 property tax rolls. The preliminary estimates from the legislative staff were \$0.3 million in 2009 increasing to \$3.6 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$6.4 million in 2008 increasing to \$15.0 million in 2012 for Bay County.

2.2 CITRUS COUNTY

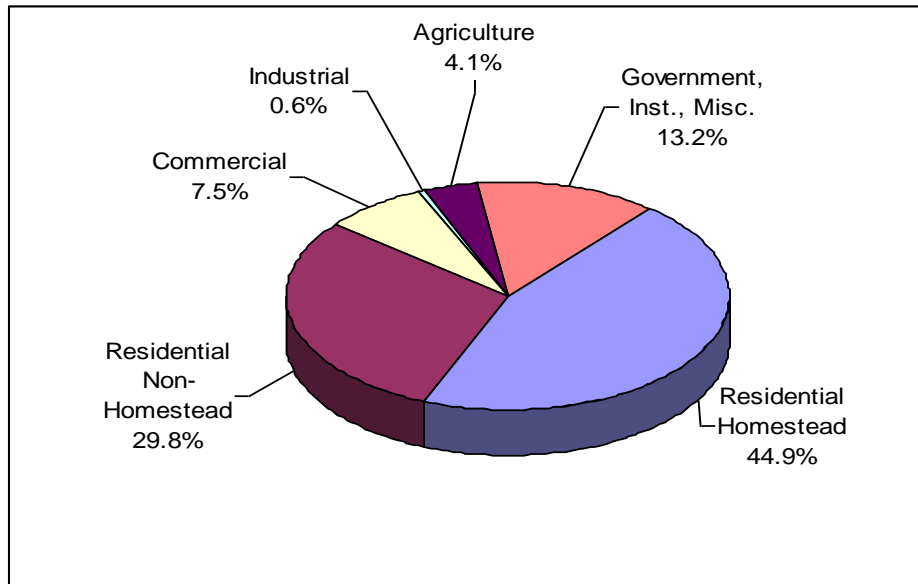
The analysis for Citrus County included approximately 146,000 property records with a market or just value of over \$15.2 billion, as shown in Table 6 and plotted in Figure 4. The majority of market value or 45 percent of the total value is contained in residential homestead properties which are valued at approximately \$7 billion. Non-homestead residential property accounts for the next largest share with \$5 billion dollars or approximately 30 percent of the total property value. The commercial property accounts for \$1 billion in value or approximately eight percent of the total market value for Citrus County. Industrial properties account for \$90 million or approximately six-tenths of one percent of the total just value in the county. Agricultural properties are

valued at \$617 million and account for four percent of the total just value. Government, institutional, and miscellaneous property categories account for \$2 billion of the total market value of property or approximately 13 percent of the total just value for Citrus County.

Table 6
2006 Citrus County
Real Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$6,833,912,259	44.9%
Residential Non-Homestead	\$4,534,122,473	29.8%
Commercial	\$1,144,829,400	7.5%
Industrial	\$89,732,772	0.6%
Agriculture	\$616,896,280	4.1%
Government, Inst., Misc.	\$2,010,726,611	13.2%
Total	\$15,230,219,795	100.0%

Figure 4
2006 Citrus County
Real Property Just Values by Taxpayer Group

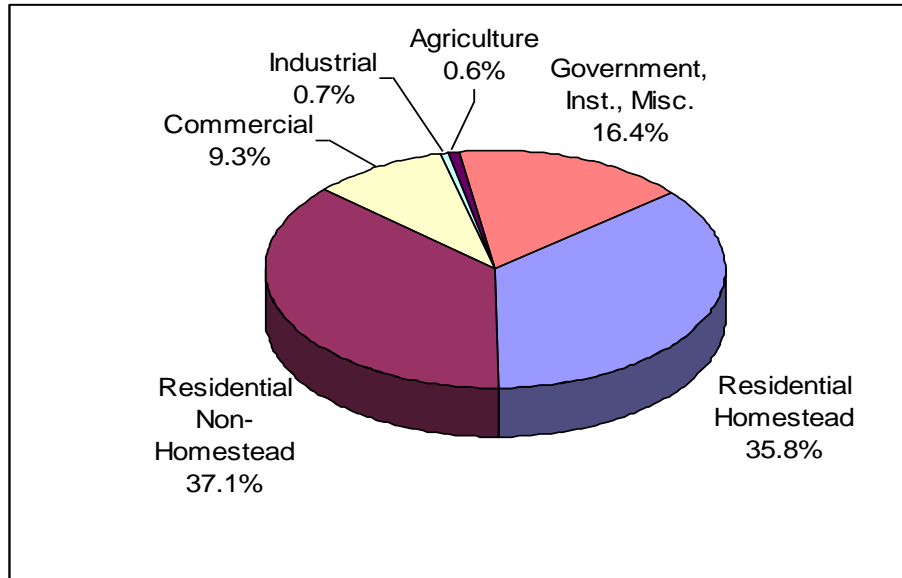


The assessed values for Citrus County properties are shown in Table 7 and plotted in Figure 5. The assessed values are reductions in just value due to assessment limitations such as Save Our Homes for residential and reduced assessments for agriculture. Residential homestead property values made up 45 percent of just values but 36 percent of the assessed values. The residential non-homestead group had 30 percent for the just value and their share of the assessed value increases to 37 percent. Commercial parcels are approximately eight percent of the total just value and nine percent of the total assessed value in 2006. Industrial parcels are approximately six-tenths of one percent of the just value and approximately seven-tenths of one percent of the assessed value in 2006. Agricultural properties account for 4 percent of the just values and only six-tenths of one percent of the county's total assessed value. The government, Institutional, and miscellaneous category accounts for 13 percent of the just value and 16 percent of the assessed values.

Table 7
2006 Citrus County
Real Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$4,372,070,532	35.8%
Residential Non-homestead	\$4,533,677,553	37.1%
Commercial	\$1,133,024,640	9.3%
Industrial	\$89,715,276	0.7%
Agriculture	\$78,643,860	0.6%
Government, Inst., Misc.	\$2,008,351,088	16.4%
Total	\$12,215,482,949	100.0%

Figure 5
2006 Citrus County
Real Property Tax Assessed Values by Taxpayer Category



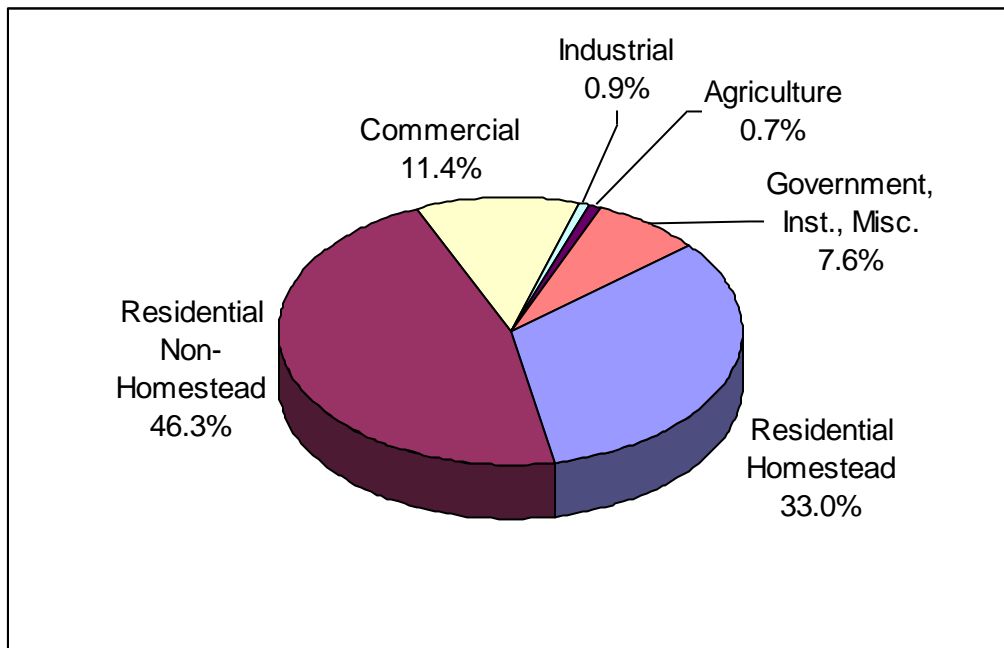
The average taxable values for Citrus County are shown in Table 8 and plotted in Figure 6 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Citrus County residential homestead property is approximately \$3 billion and accounts for 33 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$5 billion or 46 percent of the tax base or taxable value. Commercial properties account for \$1 billion or approximately 11 percent of the Citrus County property tax base in 2006. Industrial properties account for \$89 million or approximately one percent of the Citrus County taxable value. Agriculture taxable values account for \$71 million or approximately seven-tenths of one percent of the county's tax base. The government, institutional, and miscellaneous property

classifications account for approximately 8 percent or \$736 million of the county's taxable value.

Table 8
Citrus County
Real Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$3,201,636,783	33.0%
Residential Non-Homestead	\$4,488,837,006	46.3%
Commercial	\$1,100,272,360	11.4%
Industrial	\$89,496,900	0.9%
Agriculture	\$71,714,260	0.7%
Government, Inst., Misc.	\$736,329,917	7.6%
Total	\$9,688,287,226	100.0%

Figure 6
2006 Citrus County
Real Property Taxable Values by Taxpayer Category



Citrus County Tax Reduction Forecasts of Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Citrus County was 8.69 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$217 per year. Approximately nine percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenues are shown in Table 9, and beginning at \$8.9 million in 2008 and gradually increasing to \$10.8 million in 2017 as the number of homesteads grows over time.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 15,124 businesses in Citrus County with a typical business receiving a reduction in taxes of approximately \$398. The overall reduction in Citrus County property taxes due to the new tangible personal property tax exemption is also shown in Table 9 and is approximately \$1.5 million in 2008 increasing to \$1.7 million by 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 13,565 Citrus County businesses who declared less than \$25,000 in tangible personal property tax.

Table 9
Citrus County's Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Personal Property Tax Exemption of \$25,000 (Millions \$)
2008	\$8.9	\$1.5
2009	\$9.0	\$1.5
2010	\$9.2	\$1.5
2011	\$9.4	\$1.5
2012	\$9.6	\$1.6
2013	\$9.8	\$1.6
2014	\$10.1	\$1.6
2015	\$10.3	\$1.6
2016	\$10.5	\$1.7
2017	\$10.8	\$1.7

The economic impact of portability on the Citrus County property tax increases are shown below in Table 10. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits the assessed value maximum increase to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is an \$0.8 million dollar tax reduction in 2008 rising to \$14.8 million in 2017. The high case for portability forecasts a reduction of \$0.9 million in 2008 rising to \$24.0 million in 2017 and the low case has a reduction of \$0.8 million in 2008 rising to \$9.5 million in 2017.

Table 10

Citrus County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$0.8	\$0.8	\$0.9
2009	\$1.7	\$2.1	\$2.7
2010	\$2.7	\$3.3	\$4.5
2011	\$3.6	\$4.7	\$6.6
2012	\$4.6	\$6.1	\$8.8
2013	\$5.5	\$7.6	\$11.3
2014	\$6.5	\$9.2	\$14.1
2015	\$7.5	\$11.0	\$17.1
2016	\$8.5	\$12.8	\$20.4
2017	\$9.5	\$14.8	\$24.0

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is mostly to take effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. This information was not available to the author using just the 2006 property tax rolls. The original estimates from the legislative staff for Citrus County were \$0.3 million in 2009 increasing to \$2.9 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$11.2 million in 2008 increasing to \$20.2 million in 2012 for Citrus County.

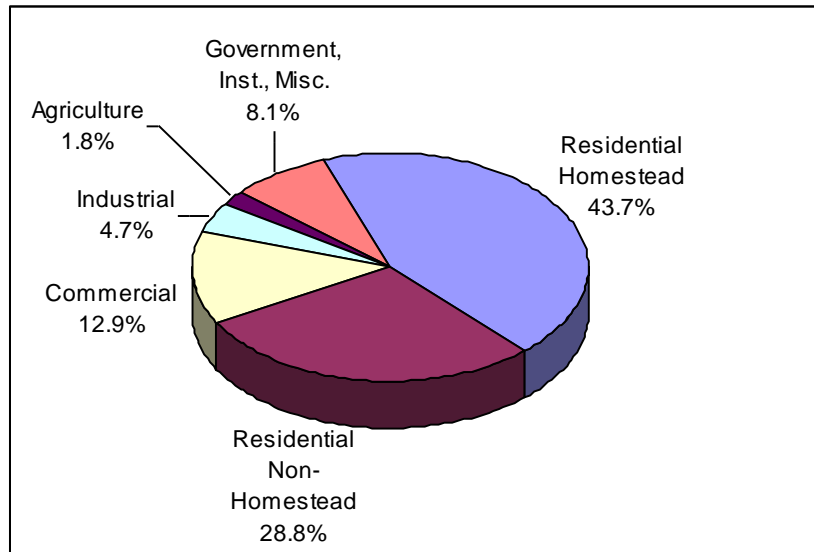
2.3 DADE COUNTY

The analysis for Dade County included approximately 820,000 property records with a market or just value of almost \$300 billion, as shown in Table 11 and plotted in Figure 7. The majority of market value or 71 percent of the total value is contained in residential properties which are valued at approximately \$215 billion. The residential homestead properties have the largest share of market value with \$130 billion and 44 percent of the total property value in Dade County. Non-homestead residential property accounts for the next largest share with \$85 billion dollars or approximately 29 percent of the total value. The commercial classification accounts for approximately \$38 billion or 13 percent of the total just value for the county. The industrial property classification accounts for approximately \$14 billion or 5 percent of the total just value for the county. Agriculture properties are valued at \$5 billion and account for approximately two percent of the total just value for the county. Government, institutional, and miscellaneous property categories account for about 8 percent of the total market value of property with a value of \$24 billion.

Table 11
2006 Dade County
Real Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$129,754,257,780	43.7%
Residential Non-homestead	\$85,469,310,384	28.8%
Commercial	\$38,406,834,365	12.9%
Industrial	\$13,826,560,693	4.7%
Agriculture	\$5,368,911,984	1.8%
Government, Inst., Misc.	\$24,004,037,447	8.1%
Total	\$296,829,912,653	100.0%

Figure 7
2006 Dade County
Real Property Just Values by Taxpayer Group



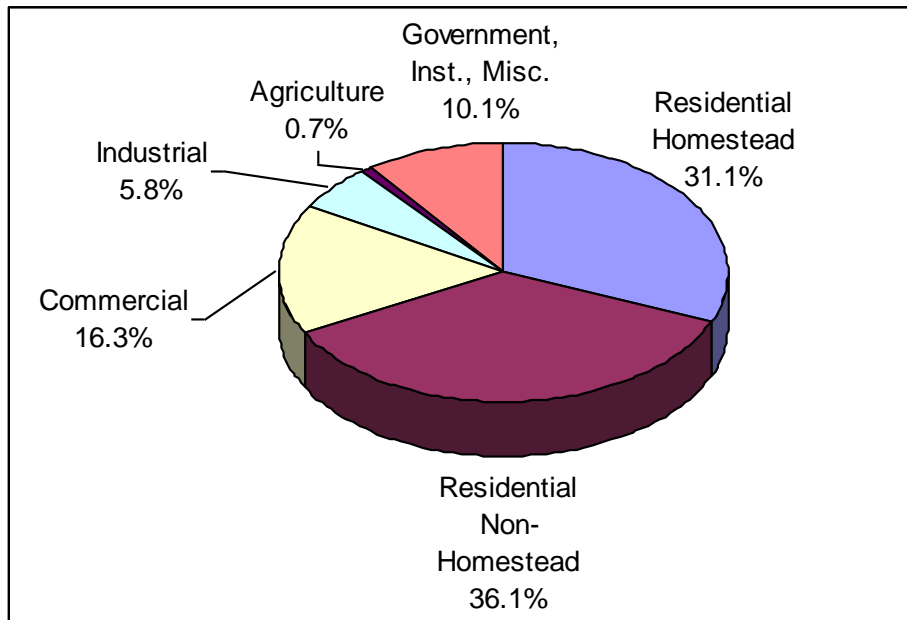
The assessed values for Dade County properties are shown in Table 12 and plotted in Figure 8. The assessed values are reductions in just value due to reduced assessments such as Save Our Homes for residential and reduced assessments for agriculture. Residential homestead property values made up 44 percent of just values

but only 31 percent of the assessed values while agriculture made up 2 percent of just values and less than 1 percent of the county’s total assessed value. The residential non-homestead category accounts for 29 percent of the just value and their share of assessed value increases to 36 percent. Commercial property just value was 13 percent and 16 percent of the assessed value in 2006. Industrial properties made up 5 percent of the just value and 6 percent of the assessed value in 2006. Agricultural properties account for two percent of the just value and less than one percent of the total assessed value. The government, institutional, and miscellaneous accounts for eight percent of the just value and 10 percent of the assessed value in Dade County.

Table 12
Dade County
Real Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$73,405,744,977	31.1%
Residential Non-homestead	\$85,217,176,689	36.1%
Commercial	\$38,388,664,570	16.3%
Industrial	\$13,672,649,245	5.8%
Agriculture	\$1,569,390,768	0.7%
Government, Inst., Misc.	\$23,915,785,946	10.1%
Total	\$236,169,412,195	100.0%

Figure 8
2006 Dade County
Real Property Tax Assessed Values by Taxpayer Category

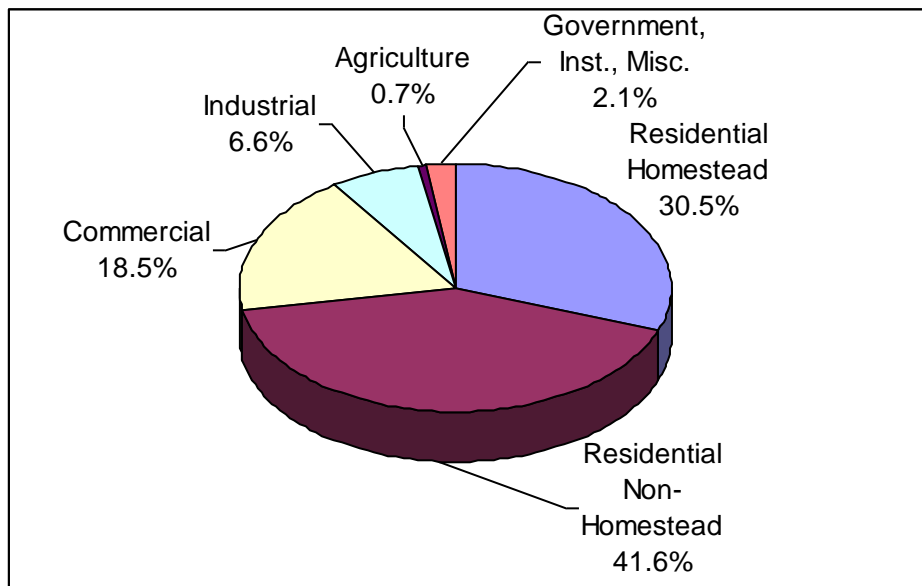


The total taxable values for Dade County are shown in Table 13 and plotted in Figure 9 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Dade County residential homestead property is approximately \$61 billion and accounts for 31 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$84 billion or 42 percent of the tax base or taxable value. Commercial accounts for \$37 billion or approximately 19 percent of the Dade County tax base in 2006. The industrial category includes \$13 billion of the taxable Dade County tax base or about 7 percent of the total tax base. Agriculture accounts for less than one percent of the tax base for Dade County.

Table 13
2006 Dade County
Real Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$61,461,378,512	30.5%
Residential Non-Homestead	\$83,899,555,888	41.6%
Commercial	\$37,234,430,530	18.5%
Industrial	\$13,240,958,124	6.6%
Agriculture	\$1,492,638,624	0.7%
Government, Inst., Misc.	\$4,293,398,972	2.1%
Total	\$201,622,360,650	100.0%

Figure 9
2006 Dade County
Real Property Taxable Values by Taxpayer Category



Dade County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Dade County was 11.47 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$287 per year. Approximately 0.2 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenue is shown in Table 14 and begins at \$129.1 million in 2008 and gradually increases as the number of homesteads increase over time to \$156.5 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 112,405 businesses in Dade County with a typical business receiving a reduction in taxes of approximately \$485. The overall reduction in Dade County property taxes due to the new tangible personal property tax exemption is also shown in Table 14 and is approximately \$22.3 million in 2008 gradually increasing to \$25.5 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 87,094 Dade County businesses who declared less than \$25,000 in tangible personal property tax.

Table 14
Dade County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$129.1	\$22.3
2009	\$131.1	\$22.6
2010	\$133.4	\$23.0
2011	\$136.5	\$23.3
2012	\$139.7	\$23.6
2013	\$142.9	\$24.0
2014	\$146.2	\$24.4
2015	\$149.5	\$24.7
2016	\$153.0	\$25.1
2017	\$156.5	\$25.5

The economic impact of portability on the Dade County property tax increases are shown below in Table 15. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits annual assessment increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is an \$21.7 million dollar tax reduction in 2008 rising to \$366.6 million in 2017. The high case for portability forecasts a reduction of \$22.8 million in 2008 rising to \$577.3 million in 2017 and the low case has a reduction of \$21.2 million in 2008 rising to \$245.1 million in 2017.

Table 15

Dade County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$21.2	\$21.7	\$22.8
2009	\$45.1	\$53.1	\$67.8
2010	\$69.2	\$85.2	\$114.4
2011	\$93.5	\$119.1	\$165.0
2012	\$118.0	\$154.8	\$220.0
2013	\$142.8	\$192.5	\$279.8
2014	\$167.9	\$232.3	\$344.9
2015	\$193.3	\$274.5	\$415.8
2016	\$219.0	\$319.2	\$493.1
2017	\$245.1	\$366.6	\$577.3

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is mostly to take effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since the study was based on the 2006 property tax rolls. The preliminary estimates from the legislative staff for Dade County were \$9.1 million in 2009 increasing to \$94.3 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$173.1 million in 2008 increasing to \$412.4 million in 2012 for Dade County.

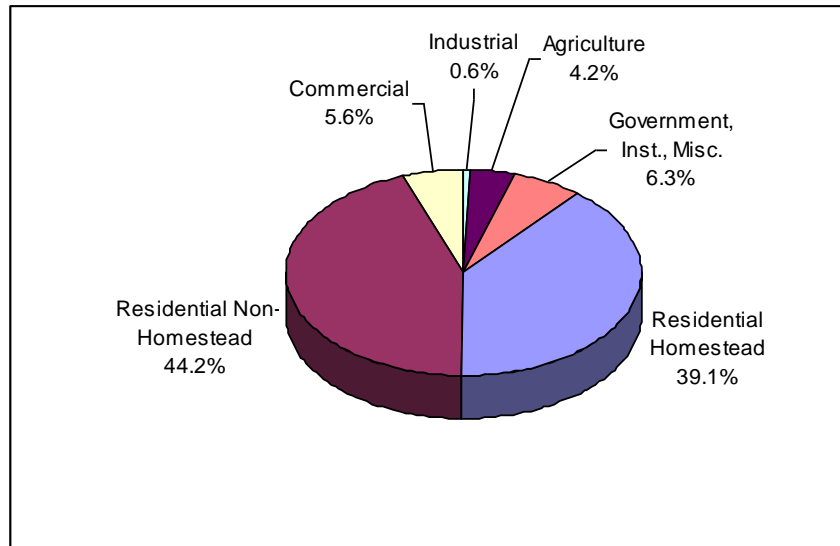
2.4 FLAGLER COUNTY

The analysis for Flagler County included approximately 75,000 property records with a market or just value of over \$14.3 billion, as shown in Table 16 and plotted in Figure 10. The majority of market value or 44 percent of the total value is contained in residential non-homestead properties which are valued at approximately \$6.3 billion. Homestead residential property accounts for the next largest share with \$5.6 billion dollars or approximately 39 percent of the total property value. The Flagler commercial property accounts for \$0.8 billion in value or approximately six percent of the total market value for Flagler County. The industrial property accounts for \$93 million in value or approximately six-tenths of one percent of the total market value for Flagler County. Government, institutional, and miscellaneous property categories account for \$0.9 billion of the total market value of property or approximately six percent of the total value.

Table 16
2006 Flagler County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$5,606,916,840	39.1%
Residential Non-Homestead	\$6,335,229,664	44.2%
Commercial	\$796,215,638	5.6%
Industrial	\$92,607,900	0.6%
Agriculture	\$599,725,112	4.2%
Government, Inst., Misc.	\$904,644,720	6.3%
Total	\$14,335,339,874	100.0%

Figure 10
2006 Flagler County
Property Just Values by Taxpayer Group



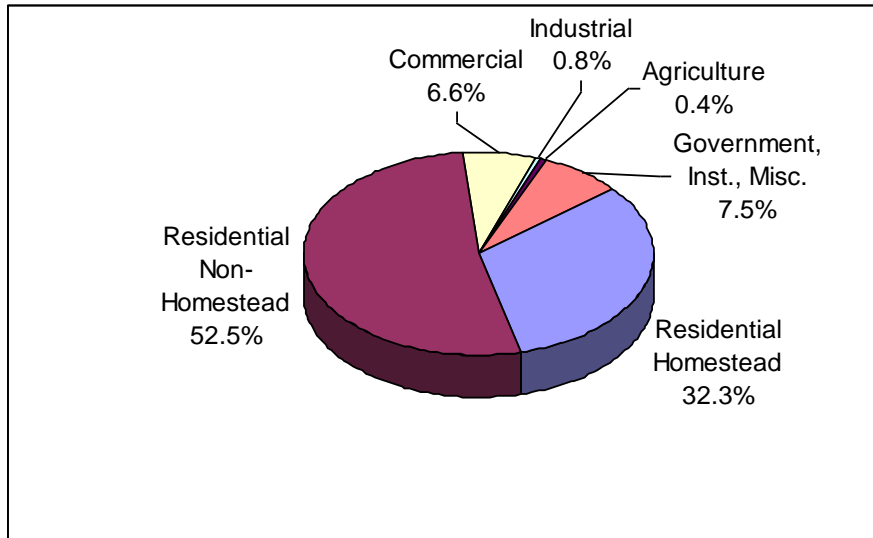
The assessed values for Flagler County properties are shown in Table 17 and plotted in Figure 11. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and reduced assessments for agriculture. Residential homestead property values made up 39

percent of just values but 32 percent of the assessed values. The residential non-homestead group had 44 percent for the just value and their share of the assessed value increases to 53 percent. Commercial properties made up approximately six percent of the just value and seven percent of the assessed value in 2006. Industrial properties made up approximately six-tenths of one percent of the just value and eight-tenths of one percent of the assessed value in 2006. Agricultural properties account for \$52 million in assessed values and only four-tenths of one percent of the total county's assessed value. The government, institutional, and miscellaneous category had properties valued at \$905 million or approximately eight percent of the total county's assessed property value.

Table 17
2006 Flagler County
Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$3,896,694,156	32.3%
Residential Non-homestead	\$6,334,780,704	52.5%
Commercial	\$791,651,304	6.6%
Industrial	\$92,433,460	0.8%
Agriculture	\$52,953,796	0.4%
Government, Inst., Misc.	\$904,644,720	7.5%
Total	\$12,073,158,140	100.0%

Figure 11
2006 Flagler County
Property Tax Assessed Values by Taxpayer Category



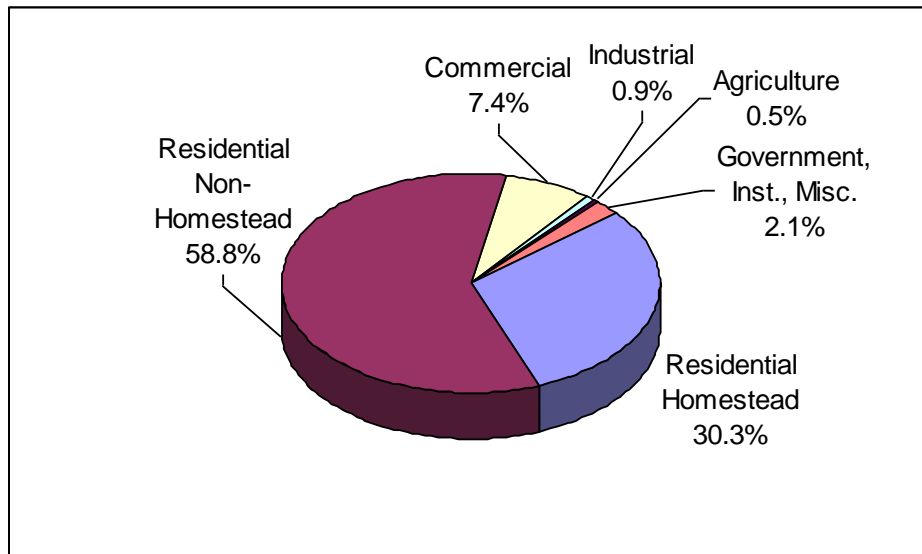
The average taxable values for Flagler County are shown in Table 18 and plotted in Figure 12 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Flagler County residential homestead property is approximately \$3 billion and accounts for 30 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$6 billion or 59 percent of the tax base or taxable value. Commercial properties account for \$782 million or approximately 7 percent of the Flagler County property tax base in 2006. Industrial properties account for \$92 million or approximately one percent of the Flagler County property tax base in 2006. Agriculture taxable values account for \$51 million or approximately one-half percent of the county's tax base. The government, institutional, and miscellaneous

category had a taxable value of \$223 million or approximately two percent of county's total taxable value.

Table 18
2006 Flagler County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$3,203,723,844	30.3%
Residential Non-Homestead	\$6,214,863,488	58.8%
Commercial	\$781,752,210	7.4%
Industrial	\$92,364,440	0.9%
Agriculture	\$50,642,235	0.5%
Government, Inst., Misc.	\$222,890,400	2.1%
Total	\$10,566,236,617	100.0%

Figure 12
2006 Flagler County
Property Taxable Values by Taxpayer Category



Flagler County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Flagler County was 6.76 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$169 per year. Approximately 1.3 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenues is shown in Table 19 and begins at \$4.4 million in 2008 and gradually increases with the number of homesteads to \$5.3 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 7,283 businesses in Flagler County with a typical business receiving a reduction in taxes of approximately \$359. The overall reduction in Flagler County property taxes due to the new tangible personal property tax exemption is also shown in Table 19 and is approximately \$0.7 million in 2008 gradually increasing to \$0.8 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 6,380 Flagler County businesses who declared less than \$25,000 in tangible personal property tax.

Table 19
2006 Flagler County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$4.4	\$0.7
2009	\$4.5	\$0.7
2010	\$4.5	\$0.7
2011	\$4.6	\$0.7
2012	\$4.7	\$0.7
2013	\$4.9	\$0.8
2014	\$5.0	\$0.8
2015	\$5.1	\$0.8
2016	\$5.2	\$0.8
2017	\$5.3	\$0.8

The economic impact of portability on the Flagler County property tax increases are shown below in Table 20. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits assessed value increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is an \$0.5 million dollar tax reduction in 2008 rising to \$9.5 million in 2017. The high case for portability forecasts a reduction of \$0.6 million in 2008 rising to \$16.0 million in 2017 and the low case has a reduction of \$0.5 million in 2008 rising to \$5.9 million in 2017.

Table 20

Flagler County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$0.5	\$0.5	\$0.6
2009	\$1.1	\$1.3	\$1.7
2010	\$1.6	\$2.1	\$2.8
2011	\$2.2	\$2.9	\$4.2
2012	\$2.8	\$3.8	\$5.7
2013	\$3.4	\$4.8	\$7.3
2014	\$4.0	\$5.9	\$9.2
2015	\$4.6	\$7.0	\$11.2
2016	\$5.2	\$8.2	\$13.5
2017	\$5.9	\$9.5	\$16.0

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this study was based on the 2006 property tax rolls. The original estimates from the legislative staff for Flagler County were \$0.3 million in 2009 increasing to \$2.7 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$5.6 million in 2008 increasing to \$11.9 million in 2012 for Flagler County.

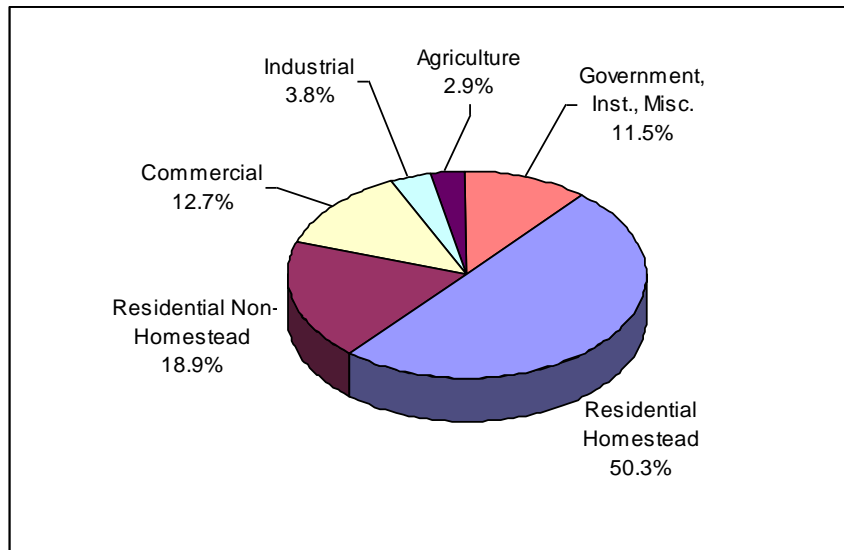
2.5 HILLSBOROUGH COUNTY

The analysis for Hillsborough County included approximately 437,000 property records with a market or just value of over \$110.4 billion, as shown in Table 21 and plotted in Figure 13. The majority of market value or 50 percent of the total value is contained in residential homestead properties which are valued at approximately \$55 billion. Non-homestead residential property accounts for the next largest share with \$21 billion dollars or approximately 19 percent of the total property value. The commercial property accounts for \$14 billion in value or approximately 13 percent of the total market value for Hillsborough County. The industrial property accounts for \$4 billion in value or approximately four percent of the total market value for county. Agricultural property accounts for \$3 billion in value and approximately three percent of the total market value. The government, institutional, and miscellaneous property categories account for \$13 billion of the total market value of property or approximately 12 percent of the total value.

Table 21
2006 Hillsborough County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$55,479,372,215	50.3%
Residential Non-Homestead	\$20,883,615,443	18.9%
Commercial	\$13,979,419,274	12.7%
Industrial	\$4,177,451,850	3.8%
Agriculture	\$3,179,606,885	2.9%
Government, Inst., Misc.	\$12,651,191,861	11.5%
Total	\$110,350,657,528	100.0%

Figure 13
2006 Hillsborough County
Property Just Values by Taxpayer Group



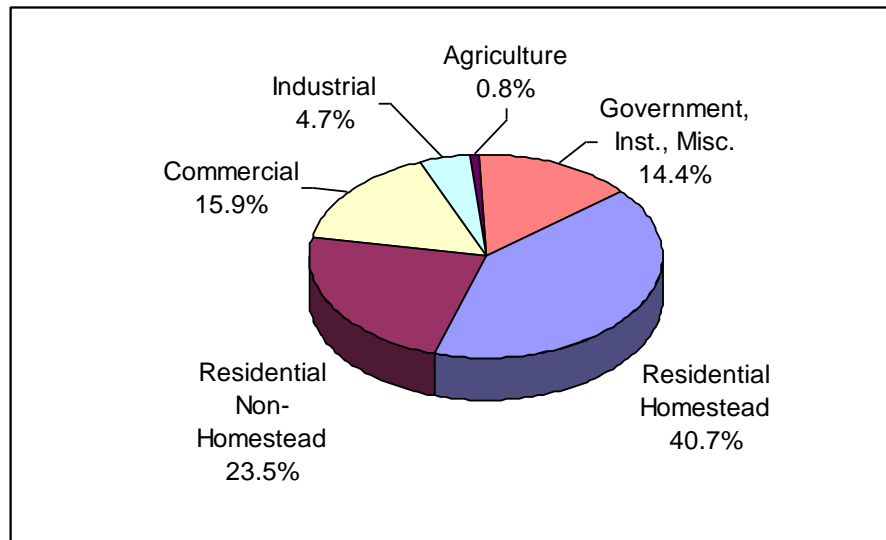
The assessed values for Hillsborough County properties are shown in Table 22 and plotted in Figure 14. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and reduced assessments for agriculture. Residential homestead property values made up 50

percent of just values but only 41 percent of the assessed values. The residential non-homestead group had 19 percent for the just value and their share of the assessed value increases to 24 percent. Commercial properties made up approximately 13 percent of the just value and 16 percent of the assessed value in 2006. Industrial properties made up approximately four percent of the just value and five percent of the county's assessed value in 2006. Agricultural makes up three percent of the just value and eight-tenths of one percent of the assessed value in the county.

Table 22
2006 Hillsborough County
Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$35,827,030,070	40.7%
Residential Non-homestead	\$20,698,808,201	23.5%
Commercial	\$13,964,764,198	15.9%
Industrial	\$4,172,124,100	4.7%
Agriculture	\$689,146,460	0.8%
Government, Inst., Misc.	\$12,632,833,279	14.4%
Total	\$87,984,706,308	100.0%

Figure 14
2006 Hillsborough County
Property Tax Assessed Values by Taxpayer Category



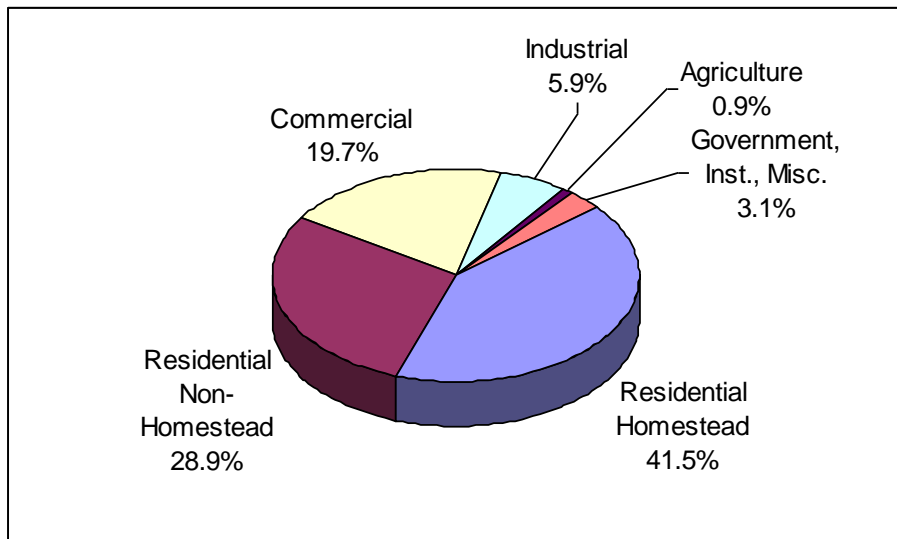
The average taxable values for Hillsborough County are shown in Table 23 and plotted in Figure 15 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Hillsborough County residential homestead property is approximately \$29 billion and accounts for 42 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$20 billion or 29 percent of the tax base or taxable value. Commercial properties account for \$14.0 billion or approximately 20 percent of the Hillsborough County property tax base in 2006. Industrial properties account for \$4 billion or approximately six percent of the county's property tax base in 2006. Agriculture taxable values account for \$634 million or approximately one percent of the county's tax base. The government, institutional,

and miscellaneous property category had a taxable value of \$2 billion and accounted for approximately three percent of the total taxable value in the county.

Table 23
2006 Hillsborough County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$29,387,462,374	41.5%
Residential Non-Homestead	\$20,435,067,338	28.9%
Commercial	\$13,946,148,724	19.7%
Industrial	\$4,170,451,925	5.9%
Agriculture	\$634,321,852	0.9%
Government, Inst., Misc.	\$2,216,443,966	3.1%
Total	\$70,789,896,179	100.0%

Figure 15
2006 Hillsborough County
Property Taxable Values by Taxpayer Category



Hillsborough County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Hillsborough County was 13.03 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$326 per year. Approximately 1.0 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenue is shown in Table 24 and begins at \$85.3 million in 2008 and gradually increases with the number of homesteads to \$103.3 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 51,533 businesses in Hillsborough County with a typical business receiving a reduction in taxes of approximately \$638. The overall reduction in Hillsborough County property taxes due to the new tangible personal property tax exemption is also shown in Table 24 and is approximately \$10.5 million in 2008 gradually increasing to \$12.0 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 37,906 Hillsborough County businesses who declared less than \$25,000 in tangible personal property tax.

Table 24
2006 Hillsborough County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$85.3	\$10.5
2009	\$86.6	\$10.6
2010	\$88.1	\$10.8
2011	\$90.1	\$11.0
2012	\$92.2	\$11.1
2013	\$94.3	\$11.3
2014	\$96.5	\$11.5
2015	\$98.7	\$11.6
2016	\$101.0	\$11.8
2017	\$103.3	\$12.0

The economic impact of portability on the Hillsborough County property tax increases are shown below in Table 25. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits assessment increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is an \$8.5 million dollar tax reduction in 2008 rising to \$150.0 million in 2017. The high case for portability forecasts a reduction of \$9.0 million in 2008 rising to \$244.9 million in 2017 and the low case has a reduction of \$8.3 million in 2008 rising to \$95.7 million in 2017.

Table 25

Hillsborough County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$8.3	\$8.5	\$9.0
2009	\$17.5	\$20.8	\$27.0
2010	\$26.9	\$33.5	\$45.7
2011	\$36.3	\$47.1	\$66.5
2012	\$45.9	\$61.5	\$89.5
2013	\$55.6	\$76.9	\$114.9
2014	\$65.4	\$93.4	\$142.9
2015	\$75.3	\$111.0	\$173.7
2016	\$85.4	\$129.8	\$207.6
2017	\$95.7	\$150.0	\$244.9

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this study was based on the 2006 property tax rolls. The original estimates from the legislative staff for Hillsborough County were \$2.9 million in 2009 increasing to \$30.4 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$104.3 million in 2008 increasing to \$195.2 million in 2012 for Hillsborough County.

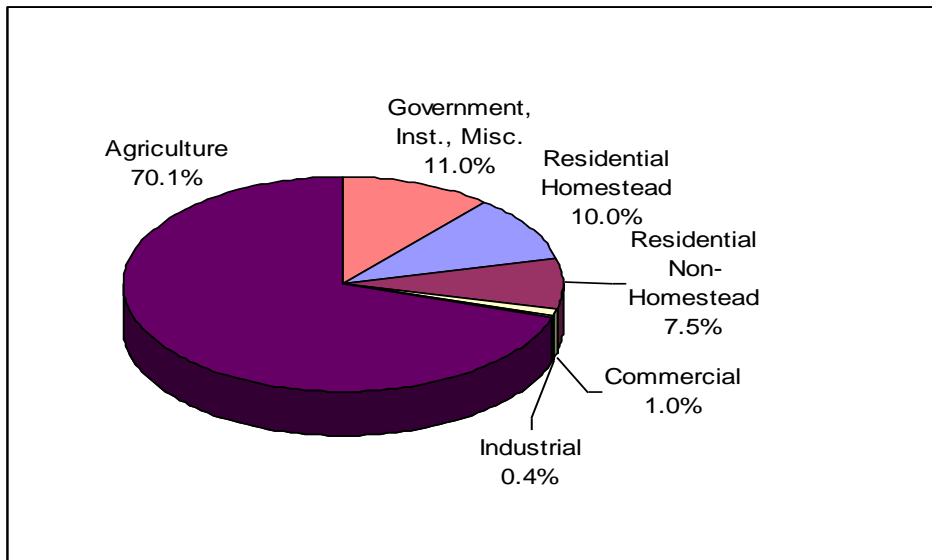
2.6 LAFAYETTE COUNTY

The analysis for Lafayette County included approximately 6,500 property records with a market or just value of over \$838 million as shown in Table 26 and plotted in Figure 16. The majority of market value or 70 percent of the total value is contained in agricultural properties which are valued at approximately \$588 million. The residential homestead properties have a market value \$84 million or 10 percent of the total property value in Lafayette County. Non-homestead residential property accounts for the next largest share with \$63 million dollars or approximately 8 percent of the total property value. The commercial property accounts for \$8 million in value or approximately one percent of the total market value for Lafayette County. The industrial property accounts for \$3 million in value or approximately four-tenths of one percent of the total county's market value. The government, institutional and miscellaneous property category accounts for \$92 million of the total market value of property or approximately 11 percent of the total value.

Table 26
2006 Lafayette County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$84,164,288	10.0%
Residential Non-Homestead	\$62,676,231	7.5%
Commercial	\$8,465,145	1.0%
Industrial	\$3,163,667	0.4%
Agriculture	\$587,569,715	70.1%
Government, Inst., Misc.	\$92,293,107	11.0%
Total	\$838,332,153	100.0%

Figure 16
2006 Lafayette County
Property Just Values by Taxpayer Group



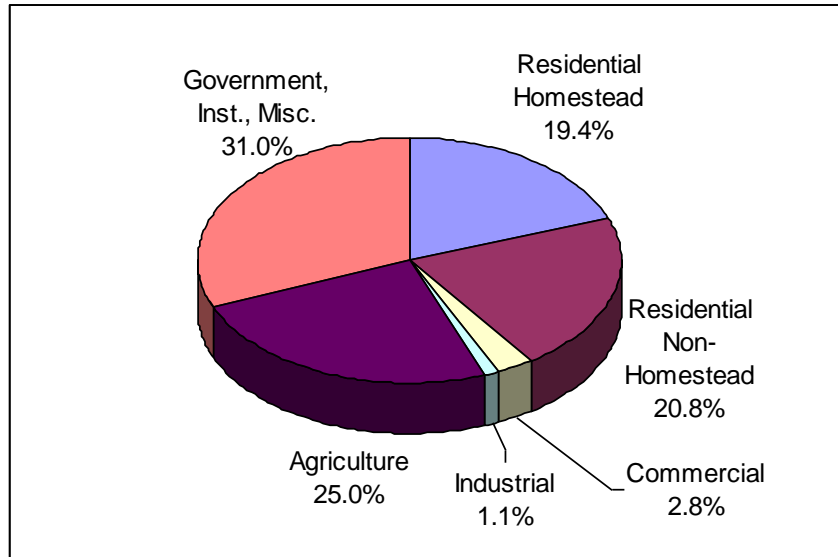
The assessed values for Lafayette County properties are shown in Table 27 and plotted in Figure 17. The assessed values are reductions in just value due to programs such as Save Our Homes for residential homestead properties which limits assessed value increases over time and reduced agricultural assessments. Residential

homestead property values made up 10 percent of just values but 19 percent of the assessed values while agriculture has 70 percent of just values and 25 percent of the assessed value. The residential non-homestead group had 8 percent for the just value and their share of the assessed value increases to 21 percent. Commercial properties made up approximately one percent of the just value and three percent of the assessed value in 2006. Industrial properties made up approximately four-tenths of one percent of the just value and one percent of the assessed value in 2006.

Table 27
2006 Lafayette County
Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$57,666,927	19.4%
Residential Non-homestead	\$61,974,177	20.8%
Commercial	\$8,465,145	2.8%
Industrial	\$3,163,667	1.1%
Agriculture	\$74,405,607	25.0%
Government, Inst., Misc.	\$92,293,107	31.0%
Total	\$297,968,630	100.0%

Figure 17
2006 Lafayette County
Property Tax Assessed Values by Taxpayer Category



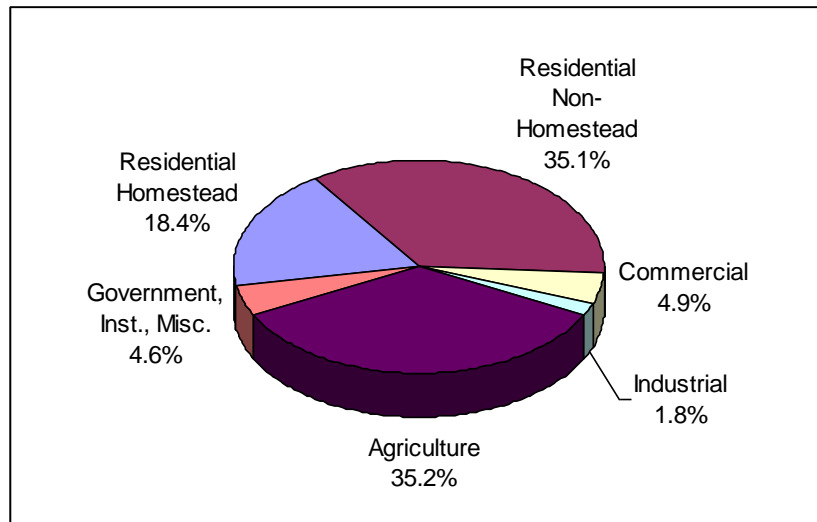
The total taxable values for Lafayette County are shown in Table 28 and plotted in Figure 18 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Lafayette County residential homestead property is approximately \$32 million and accounts for 18 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$61 million or 35 percent of the tax base or taxable value. Commercial properties account for approximately \$8 million or approximately 5 percent of the Lafayette County property tax base in 2006. Industrial properties account for \$3 million or approximately 2 percent of the Lafayette County property tax base. Agriculture taxable values account for \$61 million or approximately 35 percent of the county's tax base. The government, institutional, and miscellaneous

category accounted for \$8 million in taxable value or approximately five percent of the total county's taxable base.

Table 28
2006 Lafayette County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$31,897,671	18.4%
Residential Non-Homestead	\$60,988,092	35.1%
Commercial	\$8,440,145	4.9%
Industrial	\$3,138,667	1.8%
Agriculture	\$61,160,903	35.2%
Government, Inst., Misc.	\$8,011,437	4.6%
Total	\$173,636,915	100.0%

Figure 18
2006 Lafayette County
Property Taxable Values by Taxpayer Category



Lafayette County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Lafayette County was 9.50 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$238 per year. Approximately 37.2 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenue is shown in Table 29 and begins at \$143 thousand in 2008 and gradually increases with the number of homesteads to \$174 thousand in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 355 businesses in Lafayette County with a typical business receiving a reduction in taxes of approximately \$422. The overall reduction in Lafayette County property taxes due to the new tangible property tax exemption is also shown in Table 29 and is approximately \$71 thousand in 2008 gradually increasing to \$82 thousand in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 259 Lafayette County businesses who declared less than \$25,000 in tangible personal property tax.

Table 29
2006 Lafayette County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Thousands \$)	Tangible Personal Property Tax Exemption of \$25,000 (Thousands \$)
2008	\$143.4	\$71.4
2009	\$145.6	\$72.5
2010	\$148.2	\$73.5
2011	\$151.6	\$74.6
2012	\$155.1	\$75.8
2013	\$158.7	\$76.9
2014	\$162.3	\$78.0
2015	\$166.1	\$79.2
2016	\$169.9	\$80.4
2017	\$173.8	\$81.6

The economic impact of portability on the Lafayette County property tax increases are shown below in Table 30. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits the maximum assessment increase to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is a \$9,368 dollar tax reduction in 2008 rising to \$170,456 in 2017. The high case for portability forecasts a reduction of \$9,990 in 2008 rising to \$284,397 in 2017 and the low case has a reduction of \$9,057 in 2008 rising to \$105,678 in 2017.

Table 30

Lafayette County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Thousands \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$9,057	\$9,368	\$9,990
2009	\$19,197	\$22,940	\$29,993
2010	\$29,457	\$37,027	\$51,065
2011	\$39,850	\$52,181	\$74,707
2012	\$50,387	\$68,481	\$101,140
2013	\$61,080	\$86,015	\$130,602
2014	\$71,942	\$104,876	\$163,358
2015	\$82,987	\$125,163	\$199,695
2016	\$94,227	\$146,985	\$239,926
2017	\$105,678	\$170,456	\$284,397

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this study was based on the 2006 property tax rolls. The original estimates from the legislative staff for Lafayette were \$6,266 in 2009 increasing to \$64,934 by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the Lafayette County tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$224,168 in 2008 increasing to \$364,315 in 2012 for Lafayette County.

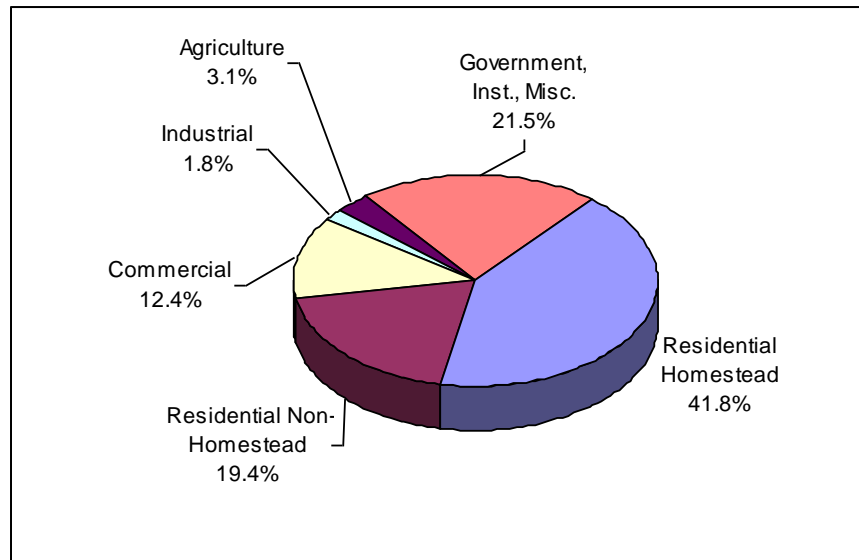
2.7 LEON COUNTY

The analysis for Leon County included approximately 103,000 property records with a market or just value of over \$23 billion, as shown in Table 31 and plotted in Figure 19. The majority of market value or 42 percent of the total value is contained in residential homestead properties which are valued at approximately \$9.6 billion. Non-homestead residential property accounts for the next largest share with \$4.5 billion dollars or approximately 19 percent of the total property value. The commercial property accounts for \$3 billion in value or approximately 12 percent of the total market value for Leon County. The industrial property accounts for \$417 million in value or approximately 2 percent of the total market value for the county. Government, institutional, and miscellaneous property categories account for \$4.9 billion of the total market value of property or approximately 22 percent of the total value.

Table 31
2006 Leon County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$9,613,744,365	41.8%
Residential Non-Homestead	\$4,461,655,550	19.4%
Commercial	\$2,846,814,696	12.4%
Industrial	\$417,088,980	1.8%
Agriculture	\$715,988,418	3.1%
Government, Inst., Misc.	\$4,932,703,499	21.5%
Total	\$22,987,995,508	100.0%

Figure 19
2006 Leon County
Property Just Values by Taxpayer Group



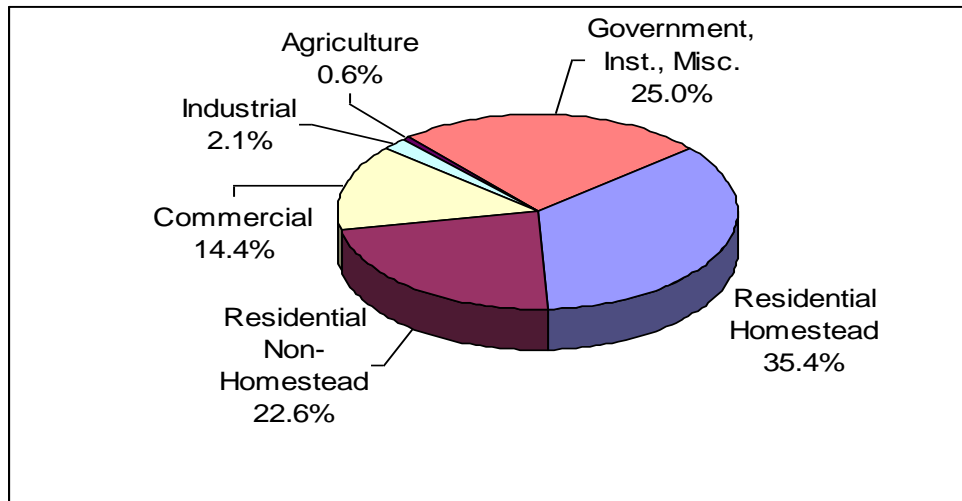
The assessed values for Leon County properties are shown in Table 32 and plotted in Figure 20. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and reduced agricultural assessments. Residential homestead property values made up 42 percent

of just values but 35 percent of the assessed values. The residential non-homestead group had 19 percent for the just value and their share of the assessed value increases to 23 percent. Commercial properties made up approximately 12 percent of the just value and 14 percent of the assessed value in 2006. Industrial properties made up approximately 1.8 percent of the just value and 2.1 percent of the assessed value in 2006. The government, institutional and miscellaneous property category was 21.5 percent of the just value for the county and the assessed value was 25 percent of the total assessed for Leon County. The high value for this last category is due to the government buildings supporting the state government in Tallahassee which is in Leon County.

Table 32
2006 Leon County
Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$6,996,201,630	35.4%
Residential Non-homestead	\$4,461,480,204	22.6%
Commercial	\$2,844,159,714	14.4%
Industrial	\$417,088,980	2.1%
Agriculture	\$111,989,088	0.6%
Government, Inst., Misc.	\$4,932,637,622	25.0%
Total	\$19,763,557,238	100.0%

Figure 20
2006 Leon County
Property Tax Assessed Values by Taxpayer Category

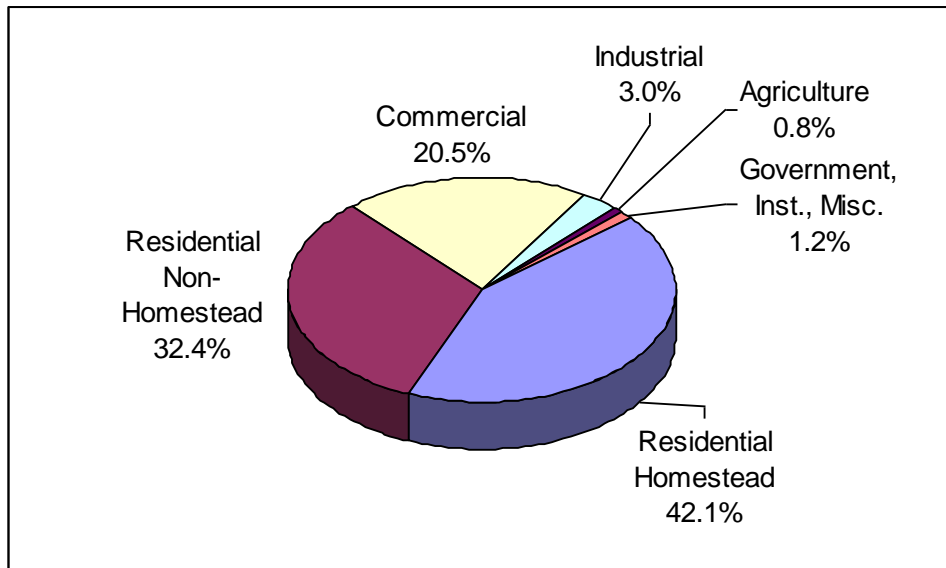


The average taxable values for Leon County are shown in Table 33 and plotted in Figure 21 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Leon County residential homestead property is approximately \$5.7 billion and accounts for 42 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$4.4 billion or 32 percent of the tax base or taxable value. Commercial properties account for \$2.8 billion or approximately 21 percent of the Leon County property tax base in 2006. Industrial properties account for \$402 million or approximately three percent of the Leon County property tax base in 2006. Agriculture taxable values account for \$105 million or approximately one percent of the county's tax base. The government, institutional, and miscellaneous category had \$158 million in taxable value or about one percent of the total for Leon County.

Table 33
2006 Leon County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$5,656,661,250	42.1%
Residential Non-Homestead	\$4,354,094,968	32.4%
Commercial	\$2,759,865,174	20.5%
Industrial	\$402,481,002	3.0%
Agriculture	\$105,147,762	0.8%
Government, Inst., Misc.	\$158,318,116	1.2%
Total	\$13,436,568,272	100.0%

Figure 21
2006 Leon County Property
Taxable Values by Taxpayer Category



Leon County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Leon County was 9.41 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$235 per year. Approximately 4.9 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenue is shown in Table 34 and begins at \$12.1 million in 2008 and gradually increases with the number of homesteads to \$14.7 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 10,860 businesses in Leon County with a typical business receiving a reduction in taxes of approximately \$434. The overall reduction in Leon County property taxes due to the new tangible personal property tax exemption is also shown in Table 34 and is approximately \$2.3 million in 2008 gradually increasing to \$2.6 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the property tax forms will be eliminated for approximately 7,423 Leon County businesses who declared less than \$25,000 in tangible personal property tax.

Table 34
2006 Leon County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$12.1	\$2.3
2009	\$12.3	\$2.3
2010	\$12.5	\$2.4
2011	\$12.8	\$2.4
2012	\$13.1	\$2.4
2013	\$13.4	\$2.5
2014	\$13.7	\$2.5
2015	\$14.0	\$2.6
2016	\$14.4	\$2.6
2017	\$14.7	\$2.6

The economic impact of portability on the Leon County property tax increases are shown below in Table 35. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits assessment increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is a \$1.0 million dollar tax reduction in 2008 rising to \$18.3 million in 2017. The high case for portability forecasts a reduction of \$1.0 million in 2008 rising to \$31.5 million in 2017 and the low case has a reduction of \$0.9 million in 2008 rising to \$10.9 million in 2017.

Table 35

Leon County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$0.9	\$1.0	\$1.0
2009	\$2.0	\$2.4	\$3.1
2010	\$3.0	\$3.8	\$5.4
2011	\$4.1	\$5.4	\$7.9
2012	\$5.2	\$7.2	\$10.8
2013	\$6.3	\$9.1	\$14.1
2014	\$7.4	\$11.1	\$17.7
2015	\$8.5	\$13.3	\$21.8
2016	\$9.7	\$15.7	\$26.4
2017	\$10.9	\$18.3	\$31.5

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this

study was based on the 2006 property tax rolls. The original estimates from the legislative staff for Leon were \$0.4 million in 2009 increasing to \$4.1 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$15.4 million in 2008 increasing to \$26.8 million in 2012 for Leon County.

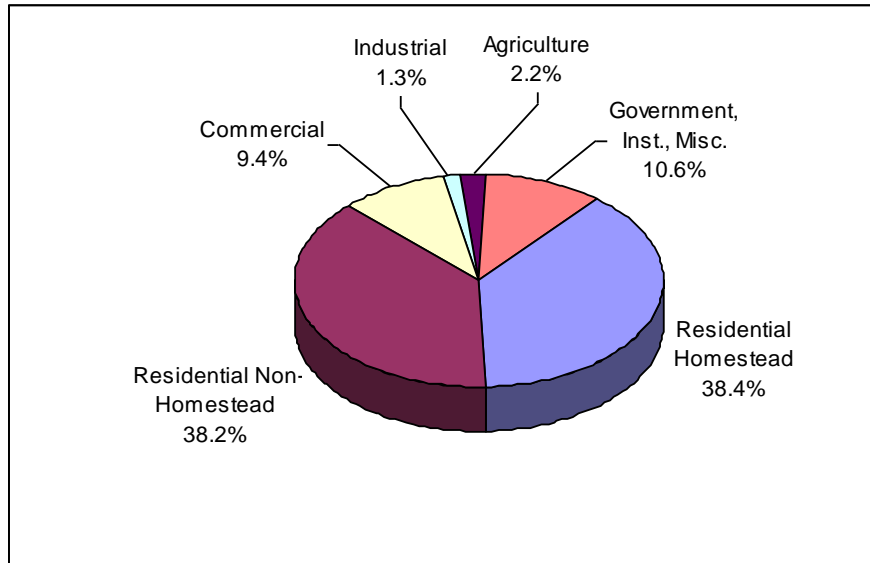
2.8 OKALOOSA COUNTY

The analysis for Okaloosa County included approximately 99,000 property records with a market or just value of over \$24.9 billion, as shown in Table 36 and plotted in Figure 22. Residential homestead properties had the highest just value of approximately \$9.5 billion or 38 percent of Okaloosa County's total value. Non-homestead residential property accounts for the next largest share which is approximately the same size as residential homestead with \$9.5 billion dollars or approximately 38 percent of the total property value. The commercial property accounts for \$2.3 billion in value or approximately 9 percent of the total market value for Okaloosa County. The industrial property accounts for \$315 million in value or approximately one percent of the total market value for Okaloosa County. Agricultural property is valued at \$554 million and is approximately two percent of the total just value. Government, institutional, and miscellaneous property categories account for \$2.6 billion of the total market value of property or approximately 11 percent of the total value.

Table 36
2006 Okaloosa County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$9,546,601,770	38.4%
Residential Non-Homestead	\$9,498,306,363	38.2%
Commercial	\$2,341,861,635	9.4%
Industrial	\$314,565,830	1.3%
Agriculture	\$553,634,384	2.2%
Government, Inst., Misc.	\$2,635,562,426	10.6%
Total	\$24,890,532,408	100.0%

Figure 22
2006 Okaloosa County
Property Just Values by Taxpayer Group

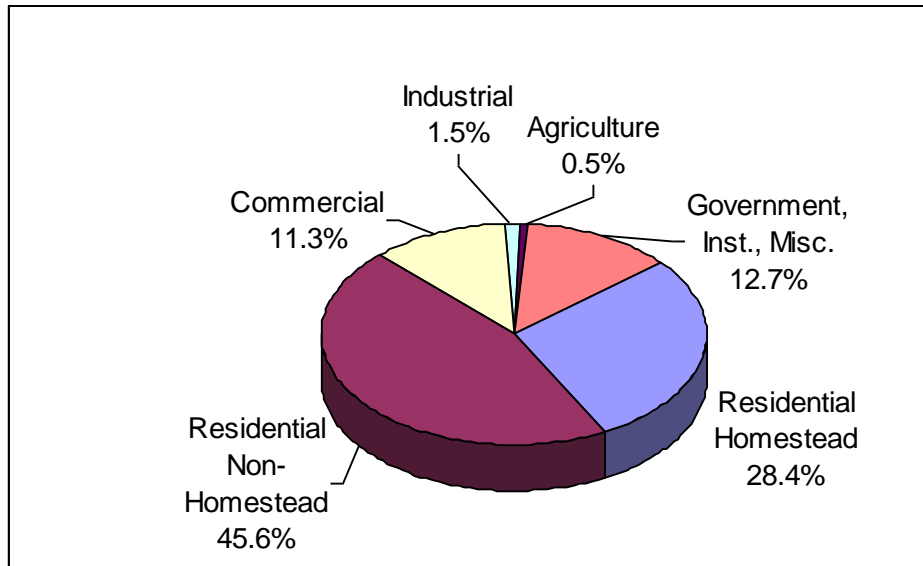


The assessed values for Okaloosa County properties are shown in Table 37 and plotted in Figure 23. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and reduced agricultural assessments. Residential homestead property values made up 38 percent of just values but 28 percent of the assessed values. The residential non-homestead group had 38 percent for the just value and their share of the assessed value increases to 46 percent. Commercial properties made up approximately nine percent of the just value and 11 percent of the assessed value in 2006. Industrial properties made up approximately 1.3 percent of the just value and 1.5 percent of the assessed value. The agricultural properties account for approximately two percent of the market or just value and one-half percent of the county’s total assessed value. The government, institutional, and miscellaneous category accounts for 11 percent of the just value and 13 percent of the assessed value in the county.

Table 37
2006 Okaloosa County
Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$5,879,584,640	28.4%
Residential Non-homestead	\$9,465,553,243	45.6%
Commercial	\$2,340,062,030	11.3%
Industrial	\$314,552,670	1.5%
Agriculture	\$103,154,352	0.5%
Government, Inst., Misc.	\$2,633,388,920	12.7%
Total	\$20,736,295,855	100.0%

Figure 23
2006 Okaloosa County
Property Tax Assessed Values by Taxpayer Category



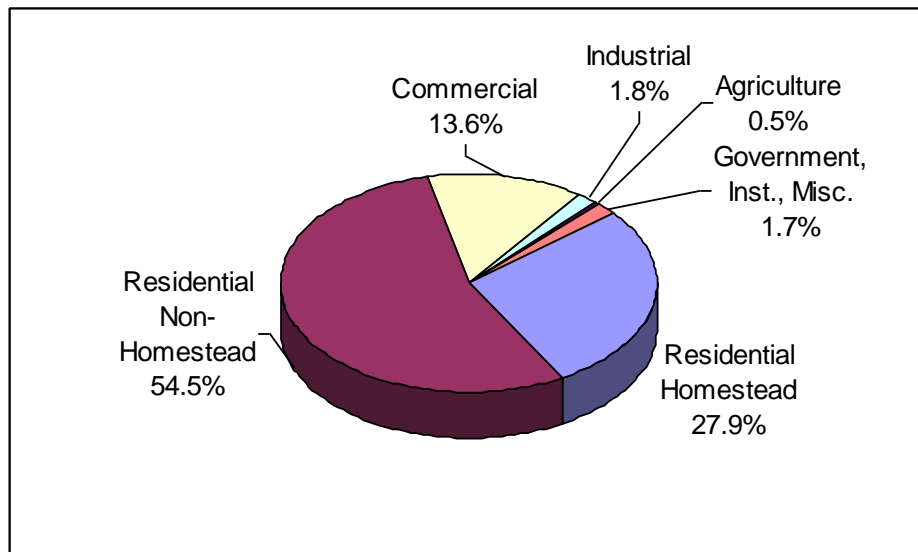
The taxable values for Okaloosa County are shown in Table 38 and Figure 24 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Okaloosa County residential homestead property is approximately \$5 billion and accounts for 28 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$9 billion or 55 percent of the tax base or taxable value. Commercial properties account for \$2.3 billion or approximately 14 percent of the Okaloosa County property tax base in 2006. Industrial properties account for \$312 million or approximately 2 percent of the Okaloosa County property tax base. Agriculture taxable values account for \$87 million or approximately one-half percent of

the county’s tax base. The government, institutional, and miscellaneous category accounts for \$284 million or about two percent of the total taxable value for the county.

Table 38
2006 Okaloosa County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$4,766,793,710	27.9%
Residential Non-Homestead	\$9,333,677,335	54.5%
Commercial	\$2,326,318,030	13.6%
Industrial	\$312,432,030	1.8%
Agriculture	\$87,334,224	0.5%
Government, Inst., Misc.	\$283,902,791	1.7%
Total	\$17,110,458,120	100.0%

Figure 24
2006 Okaloosa County
Property Taxable Values by Taxpayer Category



Okaloosa County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Okaloosa County was 5.78 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$145 per year. Approximately 2.6 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenues is shown in Table 39 and begins at \$6.2 million in 2008 and gradually increases with the number of homesteads to \$7.5 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 14,518 businesses in Okaloosa County with a typical business receiving a reduction in taxes of approximately \$336. The overall reduction in Okaloosa County property taxes due to the new tangible personal property tax exemption is also shown in Table 39 and is approximately \$1.8 million in 2008 gradually increasing to \$2.1 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 11,553 Okaloosa County businesses who declared less than \$25,000 in tangible personal property tax.

Table 39
2006 Okaloosa County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$6.2	\$1.8
2009	\$6.2	\$1.8
2010	\$6.4	\$1.9
2011	\$6.5	\$1.9
2012	\$6.7	\$1.9
2013	\$6.8	\$2.0
2014	\$7.0	\$2.0
2015	\$7.1	\$2.0
2016	\$7.3	\$2.0
2017	\$7.5	\$2.1

The economic impact of portability on the Okaloosa County property tax increases are shown below in Table 40. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits assessment increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is a \$1.0 million dollar tax reduction in 2008 rising to \$18.0 million in 2017. The high case for portability forecasts a reduction of \$1.1 million in 2008 rising to \$29.0 million in 2017 and the low case has a reduction of \$1.0 million in 2008 rising to \$11.7 million in 2017.

Table 40

Okaloosa County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$1.0	\$1.0	\$1.1
2009	\$2.2	\$2.6	\$3.3
2010	\$3.3	\$4.1	\$5.6
2011	\$4.5	\$5.8	\$8.1
2012	\$5.7	\$7.5	\$10.8
2013	\$6.8	\$9.4	\$13.8
2014	\$8.0	\$11.3	\$17.1
2015	\$9.3	\$13.4	\$20.7
2016	\$10.5	\$15.7	\$24.7
2017	\$11.7	\$18.0	\$29.0

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this study was based on the 2006 property tax rolls. The original estimates from the legislative staff for Okaloosa County were \$0.3million in 2009 increasing to \$3.6 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$9.0 million in 2008 increasing to \$19.7 million in 2012 for Okaloosa County.

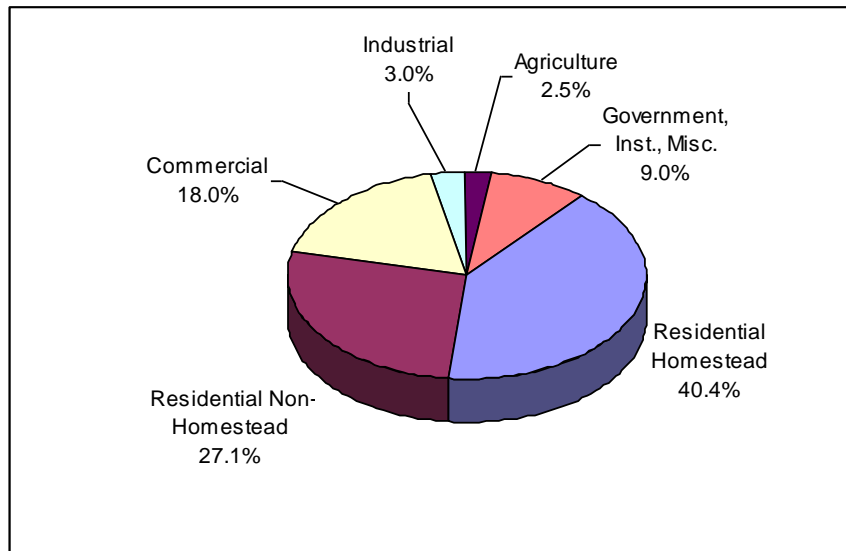
2.9 ORANGE COUNTY

The analysis for Orange County included approximately 406,000 property records with a market or just value of over \$116.2 billion, as shown in Table 41 and plotted in Figure 25. The majority of market value or 40 percent of the total value is contained in residential homestead properties which are valued at approximately \$47.0 billion. Non-homestead residential property accounts for the next largest share with \$31.5 billion dollars or approximately 27 percent of the total property value. The commercial property accounts for \$20.9 billion in value or approximately 18 percent of the total market value for Orange County. The industrial property accounts for \$3.5 billion in value or approximately three percent of the total market value for Orange County. Agricultural property is valued at \$2.9 billion and accounts for approximately 2.5 percent of the total value. The government, institutional and miscellaneous property category accounts for \$10.5 billion of the total market value of property or approximately 9 percent of the total value.

Table 41
2006 Orange County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$46,962,181,904	40.4%
Residential Non-Homestead	\$31,506,147,798	27.1%
Commercial	\$20,886,427,584	18.0%
Industrial	\$3,452,120,640	3.0%
Agriculture	\$2,902,762,992	2.5%
Government, Inst., Misc.	\$10,448,042,094	9.0%
Total	\$116,157,683,012	100.0%

Figure 25
2006 Orange County
Property Just Values by Taxpayer Group



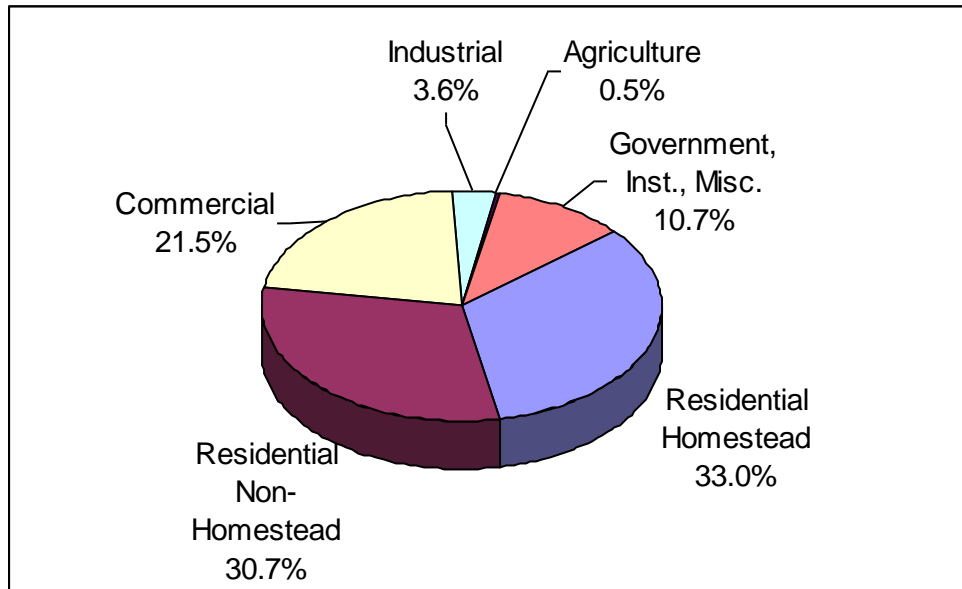
The assessed values for Orange County properties are shown in Table 42 and plotted Figure 26. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and reduced agricultural

assessments. Residential homestead property values made up 40 percent of just values but 33 percent of the assessed values. The residential non-homestead group had 27 percent for the just value and their share of the assessed value increases to 31 percent. Commercial properties made up approximately 18 percent of the just value and 22 percent of the assessed value in 2006. Industrial properties made up approximately three percent of the just value and four percent of the assessed value in 2006. The agricultural properties accounted for 2.5 percent of the just value and one-half percent of the total assessed value for the county. The government, institutional, and miscellaneous category accounted for nine percent of the just value and 11 percent of the assessed value for Orange County.

**Table 42
2006 Orange County
Property Assessed Values**

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$32,067,650,208	33.0%
Residential Non-homestead	\$29,799,129,718	30.7%
Commercial	\$20,877,504,064	21.5%
Industrial	\$3,451,186,752	3.6%
Agriculture	\$464,119,167	0.5%
Government, Inst., Misc.	\$10,394,485,299	10.7%
Total	\$97,054,075,208	100.0%

Figure 26
2006 Orange County
Property Tax Assessed Values by Taxpayer Category



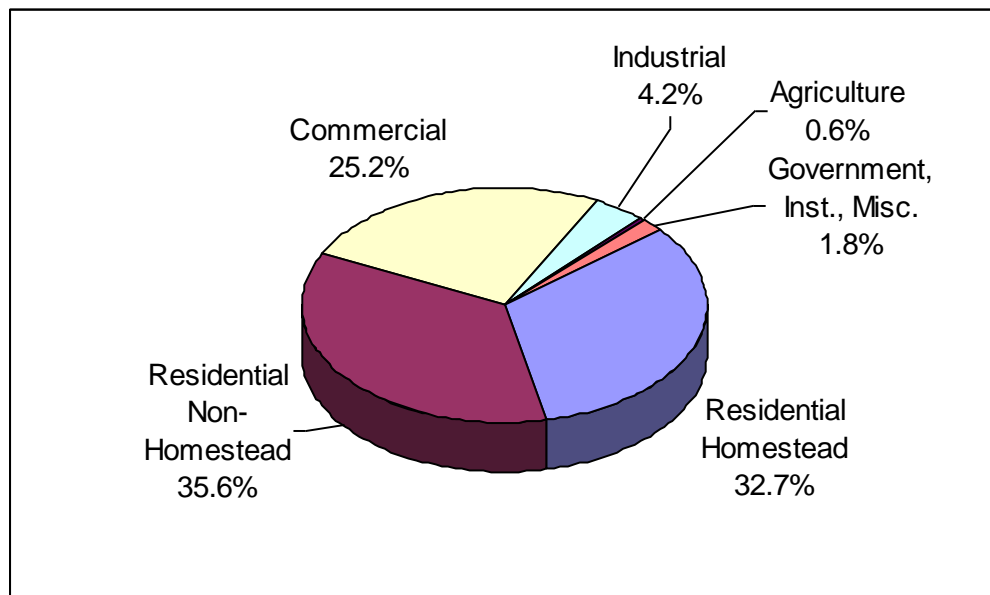
The average taxable values for Orange County are shown in Table 43 and plotted in Figure 27 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Orange County residential homestead property is approximately \$26.8 billion and accounts for 33 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$29.3 billion or 36 percent of the tax base or taxable value. Commercial properties account for \$21 billion or approximately 25 percent of the Orange County property tax base in 2006. Industrial properties account for \$3.4 billion or approximately four percent of the Orange County property tax base in 2006. Agriculture taxable values account for \$454 million or approximately six-tenths of one percent of the county's tax base. The government,

institutional, and miscellaneous category is valued at \$1.4 billion or about two percent of the total county's taxable value.

Table 43
2006 Orange County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$26,825,999,904	32.7%
Residential Non-Homestead	\$29,269,456,180	35.6%
Commercial	\$20,696,918,912	25.2%
Industrial	\$3,441,771,264	4.2%
Agriculture	\$453,646,944	0.6%
Government, Inst., Misc.	\$1,444,272,255	1.8%
Total	\$82,132,065,459	100.0%

Figure 27
2006 Orange County
Property Taxable Values by Taxpayer Category



Orange County Tax Reduction Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Orange County was 9.44 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$236 per year. Approximately 0.9 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenue is shown in Table 44 and begins at \$8.9 million in 2008 and gradually increases with the number of homesteads to \$10.8 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 65,654 businesses in Orange County with a typical business receiving a reduction in taxes of approximately \$414. The overall reduction in Orange County property taxes due to the new tangible personal property tax exemption is also shown in Table 44 and is approximately \$10.3 million in 2008 gradually increasing to \$11.8 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 47,699 Orange County businesses who declared less than \$25,000 in tangible personal property tax.

Table 44
2006 Orange County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$8.9	\$10.3
2009	\$9.0	\$10.5
2010	\$9.2	\$10.6
2011	\$9.4	\$10.8
2012	\$9.6	\$10.9
2013	\$9.8	\$11.1
2014	\$10.1	\$11.3
2015	\$10.3	\$11.4
2016	\$10.5	\$11.6
2017	\$10.8	\$11.8

The economic impact of portability on the Orange County property tax increases are shown below in Table 45. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits assessment increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is a \$5.2 million dollar tax reduction in 2008 rising to \$94.7 million in 2017. The high case for portability forecasts a reduction of \$5.6 million in 2008 rising to \$157.8 million in 2017 and the low case has a reduction of \$5.0 million in 2008 rising to \$58.8 million in 2017.

Table 45

Orange County's Portability Economic Impact Estimated Reduction in the Growth of Property Taxes (Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$5.0	\$5.2	\$5.6
2009	\$10.7	\$12.8	\$16.7
2010	\$16.4	\$20.6	\$28.4
2011	\$22.2	\$29.1	\$41.6
2012	\$28.1	\$38.1	\$56.2
2013	\$34.0	\$47.9	\$72.6
2014	\$40.1	\$58.3	\$90.7
2015	\$46.2	\$69.6	\$110.9
2016	\$52.5	\$81.7	\$133.1
2017	\$58.8	\$94.7	\$157.8

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this study was based on the 2006 property tax rolls. The original estimates from the legislative staff for Orange County were \$3.1 million in 2009 increasing to \$31.9 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$24.4 million in 2008 increasing to \$90.5 million in 2012 for Orange County.

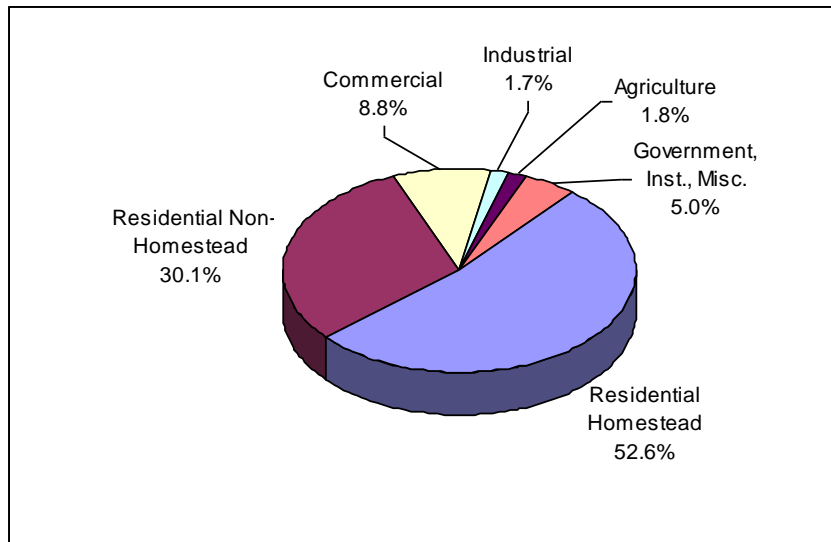
2.10 PALM BEACH COUNTY

The analysis for Palm Beach County included approximately 605,000 property records with a market or just value of over \$224 billion, as shown in Table 46 and plotted in Figure 28. The majority of market value or 53 percent of the total value is contained in residential homestead properties which are valued at approximately \$118 billion. Non-homestead residential property accounts for the next largest share with \$68 billion dollars or approximately 30 percent of the total property value. The commercial property accounts for \$20 billion in value or approximately 9 percent of the total market value for Palm Beach County. The industrial property accounts for \$4 billion in value or approximately two percent of the total market value for Palm Beach County. Agricultural properties had a just value of \$4 billion or approximately two percent. Government, institutional and miscellaneous property category accounts for \$11 billion of the total market value of property or approximately 5 percent of the total value.

Table 46
2006 Palm Beach County
Property Just Values by Taxpayer Group

Taxpayer Category	Total Just Value	Percent of Total
Residential Homestead	\$117,894,971,340	52.6%
Residential Non-Homestead	\$67,487,847,815	30.1%
Commercial	\$19,818,013,460	8.8%
Industrial	\$3,754,687,122	1.7%
Agriculture	\$4,028,569,681	1.8%
Government, Inst., Misc.	\$11,192,650,112	5.0%
Total	\$224,176,739,530	100.0%

Figure 28
2006 Palm Beach County
Property Just Values by Taxpayer Group



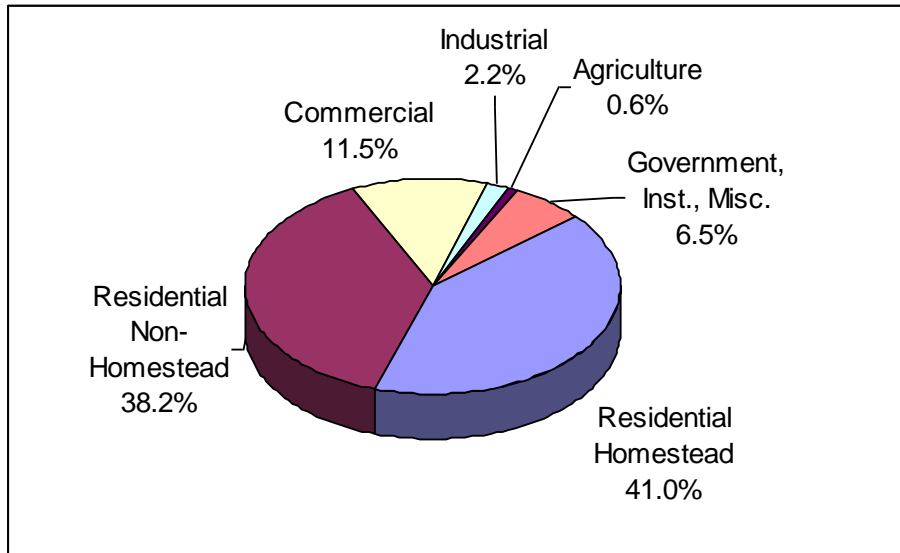
The assessed values for Palm Beach County properties are shown in Table 47 and plotted in Figure 29. The assessed values are reductions in just value due to assessment limitation programs such as Save Our Homes for residential and reduced agricultural assessments. Residential homestead property values made up 53 percent

of just values but 41 percent of the assessed values. The residential non-homestead group had 30 percent for the just value and their share of the assessed value increases to 38 percent. Commercial properties made up approximately nine percent of the just value and 12 percent of the assessed value in 2006. Industrial properties made up approximately 1.7 percent of the just value and 2.2 percent of the assessed value in 2006. Agricultural properties had approximately two percent of the just value and six-tenths of one percent of the county's assessed property value. The government, institutional, and miscellaneous category had five percent of the total just value in the county compared to seven percent of the assessed value in the county.

Table 47
2006 Palm Beach County
Property Assessed Values

Taxpayer Category	Total Assessed Value	Percent of Total
Residential Homestead	\$70,711,842,780	41.0%
Residential Non-homestead	\$65,956,042,250	38.2%
Commercial	\$19,812,972,984	11.5%
Industrial	\$3,754,242,798	2.2%
Agriculture	\$1,073,979,352	0.6%
Government, Inst., Misc.	\$11,191,442,320	6.5%
Total	\$172,500,522,484	100.0%

Figure 29
2006 Palm Beach County
Property Tax Assessed Values by Taxpayer Category



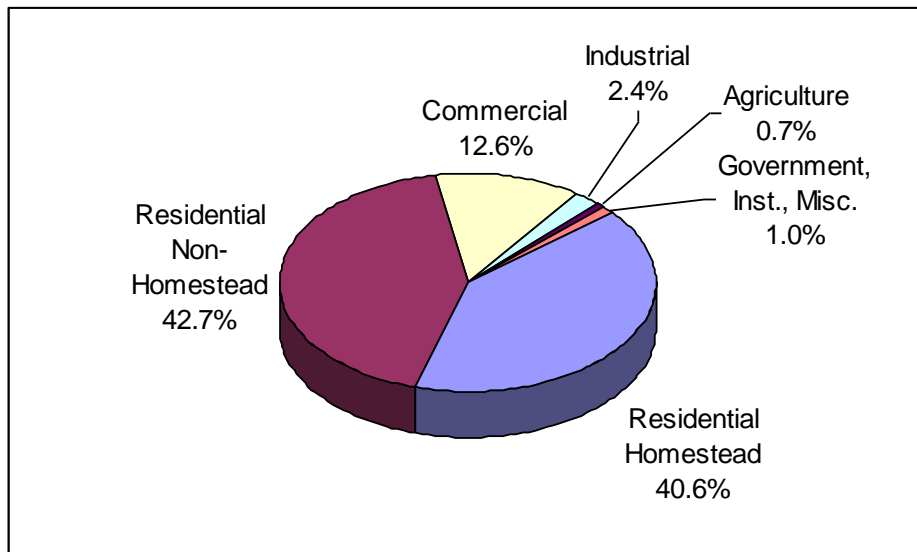
The average taxable values for Palm Beach County are shown in Table 48 and plotted in Figure 30 by taxpayer category. Taxable values are the assessed value minus exemptions such as senior homestead exemption, homestead exemption, charitable, disabled, government, historic, granny flats, hospitals, and homes for the aged. The taxable value of Palm Beach County residential homestead property is approximately \$62 billion and accounts for 41 percent of the tax base or taxable value of the properties. Residential non-homestead property accounts for \$65 billion or 43 percent of the tax base or taxable value. Commercial properties account for \$19 billion or approximately 13 percent of the Palm Beach County property tax base in 2006. Industrial properties account for \$4 billion or approximately two percent of the Palm Beach County property tax base in 2006. Agriculture taxable values account for \$1.0 billion or approximately seven-tenths of one percent of the county's tax base. The

government, institutional, and miscellaneous category had a value of \$1.5 billion or approximately one percent of the county's taxable value.

Table 48
2006 Palm Beach County
Property Taxable Value by Taxpayer Category

Taxpayer Category	Total Taxable Value	Percent of Total
Residential Homestead	\$62,072,031,510	40.6%
Residential Non-Homestead	\$65,224,863,385	42.7%
Commercial	\$19,296,254,510	12.6%
Industrial	\$3,699,277,734	2.4%
Agriculture	\$1,018,904,737	0.7%
Government, Inst., Misc.	\$1,531,417,784	1.0%
Total	\$152,842,749,660	100.0%

Figure 30
2006 Palm Beach County
Property Taxable Values by Taxpayer Category



Palm Beach County Tax Revenue Forecasts for the Proposed Constitutional Amendment

The additional homestead exemption is \$25,000 but only applies to homes that have a value of at least \$50,000 and the value must be at least \$75,000 to receive the full exemption benefit. The exemption, unlike the original \$25,000 exemption, applies only to non-school taxes, diminishing its overall impact. The non-school 2007 preliminary millage rate for Palm Beach County was 10.97 so the typical benefit to a homestead owner with a homestead valued at \$75,000 or higher will be approximately \$274 per year. Approximately 1.1 percent of the homesteads will not qualify for the exemption due to the low just or market value of their homesteads. The overall reduction in future non-school tax revenues is shown in Table 49 and begins at \$87.7 million in 2008 and gradually increases with the number of homesteads to \$106.2 million in 2017.

A new tangible personal property tax exemption of \$25,000 will apply to businesses. The 2007 preliminary tax information showed 58,946 businesses in Palm Beach County with a typical business receiving a reduction in taxes of approximately \$462. The overall reduction in Palm Beach County property taxes due to the new tangible personal property tax exemption is also shown in Table 49 and is approximately \$12.1 million in 2008 gradually increasing to \$13.8 million in 2017. One benefit of the new tangible personal property tax exemption is that the labor and time spent completing the tangible personal property tax forms will be eliminated for approximately 42,631 Palm Beach County businesses who declared less than \$25,000 in tangible personal property tax.

Table 49
2006 Palm Beach County's
Forecast Homestead and
Tangible Personal Property Tax Exemption
Property Tax Reduction Forecasts

Year	Additional \$25,000 Homestead Exemption (Millions \$)	Tangible Property Tax Exemption of \$25,000 (Millions \$)
2008	\$87.7	\$12.1
2009	\$89.0	\$12.3
2010	\$90.6	\$12.5
2011	\$92.7	\$12.7
2012	\$94.8	\$12.8
2013	\$97.0	\$13.0
2014	\$99.2	\$13.2
2015	\$101.5	\$13.4
2016	\$103.8	\$13.6
2017	\$106.2	\$13.8

The economic impact of portability on the Palm Beach County property tax increases are shown below in Table 50. Although property revenues will be expected to rise, the introduction of portability will slow the increase in tax revenue over time due to the Save Our Homes cap which limits assessment increases to three percent or the Consumer Price Index, whichever is lower. The medium case for portability is a \$17.2 million dollar tax reduction in 2008 rising to \$295.2 million in 2017. The high case for portability forecasts a reduction of \$18.0 million in 2008 rising to \$471.4 million in 2017 and the low case has a reduction of \$16.7 million in 2008 rising to \$193.9 million in 2017.

Table 50

Palm Beach County's Portability Economic Impact			
Estimated Reduction in the Growth of Property Taxes			
(Millions \$)			
Year	Low Forecast	Medium Forecast	High Forecast
2008	\$16.7	\$17.2	\$18.0
2009	\$35.5	\$41.9	\$53.9
2010	\$54.5	\$67.4	\$91.1
2011	\$73.7	\$94.4	\$131.8
2012	\$93.1	\$123.0	\$176.4
2013	\$112.7	\$153.4	\$225.2
2014	\$132.6	\$185.6	\$278.7
2015	\$152.7	\$219.9	\$337.2
2016	\$173.2	\$256.3	\$401.3
2017	\$193.9	\$295.2	\$471.4

The new constitutional amendment also includes a major new provision that limits the assessment increases of non-homestead properties to 10 percent per year. This assessment limitation does not apply to school tax levies. The limit is expected to have a significant effect in periods of very rapid property price appreciation but there will most likely be certain properties that increase faster than others and would benefit from the 10 percent limit in assessed value even in more moderate property appreciation times. The benefits and costs of this provision are difficult to forecast since one has to estimate the distribution of price increases for the various properties and the timing of the increases. Historical time trend information was not available for analysis since this study was based on the 2006 property tax rolls. The preliminary estimates from the legislative staff for Palm Beach County were \$5.0 million in 2009 increasing to \$51.8 million by 2012.

Overall, if one uses this study's tax revenue impact forecasts including the medium portability forecast and the preliminary 10 percent tax assessment limitation estimate provided by the legislative staff, the tax revenue impact of the new constitutional amendment is expected to reduce the growth in property tax revenue by approximately \$117.0 million in 2008 increasing to \$282.4 million in 2012 for Palm Beach County.

3.0 Summary and Economic Issues

Property tax revenues have risen rapidly in recent years along with insurance costs creating a strong movement to reform Florida's tax system and to identify creative ways to manage insurance risk and cost. These decisions will have a profound effect on the local and state economies and on each of our families. There are two fundamental questions being raised:

- What level of products and services should be provided by local and state government? and
- How to pay for the products and services?

This report is the second part of a study sponsored by the Florida Association of REALTORS and is designed to review and analyze the current impacts of assessment limitations and exemptions on the relative property tax burden by property ownership group for ten representative Florida Counties. In addition, county-level forecasts are developed for the proposed \$25,000 homestead exemption, the \$25,000 tangible personal property tax exemption, and the introduction of portability.

Florida's current real property tax system requires annual market or just valuations of each real property parcel. The assessment limitations and reductions reduce just or market value to assessed value, which is determined for each real property parcel. Finally, the various exemptions are subtracted to arrive at the taxable value for each real property parcel. This study analyzed 2,800,000 parcel records to show the total just, assessed, and taxable values for ten representative Florida counties. The analysis also shows the relative tax burden placed on each group and

how that relative tax burden changes due to assessment limitations and property tax exemptions.

The second part of this study uses the same real parcel information for the ten counties and forecasts the impacts of the additional \$25,000 homestead exemption, the \$25,000 tangible personal property tax exemption, and portability for the proposed constitutional amendment that will be placed on the January 29, 2008 ballot. A property tax revenue impact forecast model was developed by this study for portability and was used to provide a range of forecast impacts. It is important to note that the overall tax reduction results for portability are considerably lower than the preliminary impacts reported in the legislative staff analysis. However, the 2006 real property records were insufficient to forecast the ten percent cap or maximum limit on the assessment value growth in non-homestead parcels, so the initial or preliminary results from the legislative staff analysis are reported by county.

There has been a debate about what additional measures should be taken to create “true” tax reform for Florida. This will require a review of the entire tax system including property, fees, and sales tax. Several measures that were discussed at the last legislative special session but not included in the current constitutional amendment include:

- A minimum homestead exemption based on the county’s median housing value;
- A first-time homestead exemption that will phase out as the Save Our Home assessment limitation grows over time; and

- A limit lower than 10 percent on non-homestead assessment value annual increases; and
- Lower assessment values for affordable homes and working waterfronts.

In addition, a special commission, the 2007-08 Florida Taxation and Budget Reform Commission, is charged with conducting a comprehensive review of the state and local governments' budgeting and taxing procedures and policies. They can offer recommendations to the legislature or propose new constitutional amendments for voter approval.

The tax reform legislation that passed in June of 2007 included roll-back provisions that require local government taxing authorities to roll-back rates each year and limit growth to the increase in per capita income and new construction. Local taxing authorities can increase the millage rate beyond this limit but it will require a super majority vote of the governing authority or a voter referendum.

Considerable work and effort by various groups has been devoted to analyzing the various measures and forecasting the potential revenue impacts on the property owner groups and local governments. These studies are important if we are to make informed decisions. As historian Charles Adams noted, "We can't live without taxes, but we sure would like to have good ones". The debate over the economics, fairness, and equity will be one that is decided by the voters and their representatives.

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APPENDICES

APPENDIX ONE

Preliminary Legislative Staff Revenue Impacts of the Proposed Property Tax Constitutional Amendment

The legislature and governor staff of the State of Florida held an *Estimating Conference* on December 5, 2007 to review, update, and refine their forecasts. The findings from this conference of the new *tax revenue impact forecasts* have not been posted on the Office of Economic & Demographic Research (EDR) Website, <http://edr.state.fl.us/index.html>, at the time of this writing, but are expected soon. Newspapers covered the conference and reported that the estimates for portability were reduced fairly substantially from \$5.6 billion over five years to \$2.7 billion bring them closer to the estimates forecast by this study (see Orlando Sentinel, December 8, 2007).

The Florida legislative staff provided preliminary revenue impact estimates for (1) the additional homestead exemption, (2) the tangible personal property exemption, (3) portability, and (4) the 10 percent cap on increases of non-homestead property assessed values in any one year. The initial revenue impact estimates for the added homestead were lower than the estimates developed by this study which was based on the number of homesteads from the 2006 county tax rolls.

The estimates for the new tangible personal property tax (business) was the same as the legislative staff initial estimates since it was based on the preliminary 2007 tangible personal property tax records. The portability revenue impacts were lower in this study since it assumed a slowdown in sales in 2007 and 2008 with a return to more normal conditions in 2009. A low, medium, and high portability revenue forecast was developed to capture the uncertainty around the expected long-run increases in property values and tenure rates.

This study did not forecast the revenue impacts for the 10 percent maximum increase of non-homestead assessed values since time-series data on the changes of individual properties were not available at the time of this study. The legislative staff did develop preliminary 10 percent maximum increase revenue reduction estimates.

The preliminary October 2007 legislative staff estimates are provided in the following tables. Table A-1 provides preliminary legislative staff estimates for non-school tax revenue reductions of \$1.2 billion in 2008 rising to \$2.7 billion in 2012 assuming a constant 2007 millage rate. The school district revenue impact is also shown in Table A-1. The school district revenue is predicted to decline by \$204 million in 2008 rising to \$898 million in 2012.

Table A-1

Proposed Tax Reform Package (Millions \$)						
School and Non-School	2008-09	2009-10	2010-11	2011-12	2012-13	Five-Year Total
Total Non-School Impacts	-1,169	-1,497	-1,880	-2,341	-2,737	-9,623
Total School Impact	-204	-387	-547	-721	-898	-2,757
Total Impact	-1,373	-1,884	-2,427	-3,062	-3,635	-12,380

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-2 provides the preliminary legislative staff estimates for the proposed constitutional amendment by major measure being introduced. The additional homestead exemption will reduce overall state-wide property tax revenues by \$892 million in 2008 increasing to \$971 million in 2012. The tangible personal property tax exemption is estimated to reduce property tax collections by \$179 million rising to \$190 million by 2012. Portability is estimated to result in a reduction of property tax revenue of \$302 million in 2008 and \$1,947 million in 2012. These estimates are considerably higher than those estimated and reported by this study primarily due to this study's lower sales and property price appreciation rates in 2008 and 2009.

Table A-2

Proposed Tax Reform Package (Millions \$)						
Tax Reform Measure	2008-09	2009-10	2010-11	2011-12	2012-13	Five-Year Total
Additional Homestead Exemption \$25,000 (1)	-892	-914	-935	-953	-971	-4,666
Tangible Personal Property--\$25k Exempt (2)	-179	-182	-184	-187	-190	-922
Portability--100% up; Proportional down; Max \$500k (2)	-302	-737	-1,115	-1,528	-1,947	-5,629
Cap on Non-Homestead Assessments of 10%(1)	0	-51	-192	-394	-527	-1,163
Total Impact	-1,373	-1,884	-2,427	-3,062	-3,635	-12,380

(1) Does not apply to school levies.

(2) Applies to all governmental levies including schools.

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

The preliminary legislative staff estimates by county for the additional \$25,000 homestead exemption are provided in Table A-3. The legislative staff estimates were generally lower than the estimates forecast using 2006 tax roll data by this study.

Table A-3

Additional \$25,000 Homestead Exemption Tax Impact on Non-School Levies Millions \$					
Area	2008	2009	2010	2011	2012
State	-892.1	-914.2	-935.2	-953.3	-970.7
Alachua	-12.6	-12.8	-13.0	-13.2	-13.4
Baker	-0.8	-0.8	-0.9	-0.9	-0.9
Bay	-3.3	-3.4	-3.5	-3.5	-3.6
Bradford	-0.8	-0.8	-0.8	-0.8	-0.8
Brevard	-26.5	-27.1	-27.6	-28.0	-28.5
Broward	-109.4	-111.6	-113.9	-115.8	-117.5
Calhoun	-0.2	-0.2	-0.2	-0.2	-0.3
Charlotte	-7.8	-8.0	-8.1	-8.3	-8.4
Citrus	-6.8	-6.9	-7.1	-7.2	-7.3
Clay	-7.1	-7.3	-7.5	-7.7	-7.9
Collier	-10.8	-11.2	-11.8	-12.4	-12.8
Columbia	-2.2	-2.3	-2.3	-2.3	-2.4
Dade	-104.5	-106.3	-107.7	-108.9	-110.2
DeSoto	-0.7	-0.8	-0.8	-0.8	-0.8
Dixie	-0.3	-0.3	-0.3	-0.3	-0.3
Duval	-35.5	-36.2	-36.7	-37.2	-37.7
Escambia	-9.6	-9.7	-9.8	-9.9	-10.0
Flagler	-4.1	-4.4	-4.7	-5.0	-5.2
Franklin	-0.2	-0.2	-0.2	-0.2	-0.2
Gadsden	-1.1	-1.1	-1.1	-1.2	-1.2
Gilchrist	-0.5	-0.5	-0.5	-0.5	-0.5
Glades	-0.4	-0.4	-0.4	-0.4	-0.4

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-3 (Continued)

Additional \$25,000 Homestead Exemption Tax Impact on Non-School Levies					
Area	2008	2009	2010	2011	2012
State	-892.1	-914.2	-935.2	-953.3	-970.7
Gulf	-0.3	-0.3	-0.3	-0.3	-0.3
Hamilton	-0.2	-0.2	-0.2	-0.2	-0.2
Hardee	-0.4	-0.4	-0.4	-0.4	-0.4
Hendry	-0.9	-1.0	-1.0	-1.0	-1.0
Hernando	-9.3	-9.6	-9.8	-9.9	-10.1
Highlands	-3.4	-3.4	-3.5	-3.5	-3.6
Hillsborough	-74.4	-76.1	-77.6	-79.0	-80.5
Holmes	-0.3	-0.3	-0.3	-0.3	-0.3
Indian River	-5.8	-5.9	-6.1	-6.2	-6.3
Jackson	-0.8	-0.9	-0.9	-0.9	-0.9
Jefferson	-0.5	-0.5	-0.5	-0.5	-0.5
Lafayette	-0.2	-0.2	-0.2	-0.2	-0.2
Lake	-14.3	-14.9	-15.4	-15.9	-16.4
Lee	-31.7	-32.8	-33.8	-34.8	-35.9
Leon	-11.0	-11.3	-11.7	-11.9	-12.1
Levy	-1.3	-1.4	-1.4	-1.4	-1.5
Liberty	-0.1	-0.1	-0.1	-0.1	-0.1
Madison	-0.3	-0.3	-0.3	-0.3	-0.3
Manatee	-14.9	-15.3	-15.7	-16.0	-16.3
Marion	-10.4	-10.8	-11.1	-11.3	-11.6
Martin	-8.0	-8.1	-8.4	-8.5	-8.7
Monroe	-2.1	-2.1	-2.1	-2.1	-2.1

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-3 (Continued)

Additional \$25,000 Homestead Exemption Tax Impact on Non-School Levies					
Area	2008	2009	2010	2011	2012
State	-892.1	-914.2	-935.2	-953.3	-970.7
Nassau	3.1	3.2	3.3	3.4	3.4
Okaloosa	5.2	5.3	5.4	5.5	5.6
Okeechobee	0.9	0.9	0.9	0.9	0.9
Orange	45.6	47.1	48.5	49.7	50.9
Osceola	7.7	8.2	8.6	9.0	9.3
Palm Beach	85.1	87.9	90.6	92.7	94.6
Pasco	17.9	18.6	19.1	19.6	20.1
Pinellas	60.6	61.0	61.7	62.1	62.5
Polk	20.6	21.0	21.5	21.8	22.2
Putnam	2.2	2.2	2.3	2.3	2.3
St. Johns	8.3	8.7	9.0	9.3	9.6
St. Lucie	18.2	18.8	19.4	20.0	20.6
Santa Rosa	5.0	5.3	5.5	5.7	5.9
Sarasota	16.0	16.4	16.7	17.0	17.3
Seminole	20.8	21.4	22.0	22.5	22.9
Sumter	3.1	3.2	3.4	3.5	3.6
Suwannee	1.0	1.0	1.1	1.1	1.1
Taylor	0.4	0.4	0.4	0.4	0.4
Union	0.3	0.3	0.3	0.3	0.3
Volusia	31.8	32.7	33.6	34.3	34.9
Wakulla	0.9	1.0	1.1	1.1	1.1
Walton	0.8	0.9	1.0	1.0	1.0
Washington	0.4	0.5	0.5	0.5	0.5

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

The tangible personal property tax exemption preliminary tax revenue impacts estimated by the legislative staff in October 2007 are provided in Table A-4. These are based on the number of businesses identified from the preliminary 2007 property tax rolls.

Table A-4

Tangible Personal Property Exemption Total Tax Impact (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-\$179.0	-\$181.7	\$184.4	-\$187.2	-\$190.0
Alachua	-\$2.9	-\$2.9	-\$3.0	-\$3.0	-\$3.1
Baker	-\$0.2	-\$0.2	-\$0.2	-\$0.2	-\$0.2
Bay	-\$1.4	-\$1.4	-\$1.4	-\$1.5	-\$1.5
Bradford	-\$0.3	-\$0.3	-\$0.3	-\$0.3	-\$0.3
Brevard	-\$4.9	-\$4.9	-\$5.0	-\$5.1	-\$5.2
Broward	-\$18.7	-\$18.9	-\$19.2	-\$19.5	-\$19.8
Calhoun	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Charlotte	-\$2.2	-\$2.3	-\$2.3	-\$2.3	-\$2.4
Citrus	-\$1.5	-\$1.5	-\$1.5	-\$1.5	-\$1.6
Clay	-\$1.0	-\$1.0	-\$1.0	-\$1.0	-\$1.0
Collier	-\$3.3	-\$3.3	-\$3.4	-\$3.4	-\$3.5
Columbia	-\$0.5	-\$0.5	-\$0.5	-\$0.6	-\$0.6
Dade	-\$22.3	-\$22.6	-\$23.0	-\$23.3	-\$23.6
DeSoto	-\$0.5	-\$0.5	-\$0.5	-\$0.5	-\$0.5
Dixie	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Duval	-\$6.4	-\$6.5	-\$6.6	-\$6.7	-\$6.8
Escambia	-\$2.6	-\$2.6	-\$2.7	-\$2.7	-\$2.8
Flagler	-\$0.7	-\$0.7	-\$0.7	-\$0.7	-\$0.7
Franklin	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Gadsden	-\$0.4	-\$0.4	-\$0.4	-\$0.4	-\$0.4
Gilchrist	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Glades	-\$0.3	-\$0.3	-\$0.3	-\$0.3	-\$0.3

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-4 (Continued)

Tangible Personal Property Exemption Total Tax Impact (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-\$179.0	-\$181.7	-\$184.4	-\$187.2	-\$190.0
Gulf	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Hamilton	-\$0.2	-\$0.2	-\$0.2	-\$0.2	-\$0.2
Hardee	-\$0.4	-\$0.4	-\$0.4	-\$0.4	-\$0.4
Hendry	-\$0.5	-\$0.5	-\$0.5	-\$0.5	-\$0.5
Hernando	-\$1.3	-\$1.3	-\$1.3	-\$1.4	-\$1.4
Highlands	-\$1.8	-\$1.9	-\$1.9	-\$1.9	-\$2.0
Hillsborough	-\$10.5	-\$10.6	-\$10.8	-\$11.0	-\$11.1
Holmes	-\$0.2	-\$0.2	-\$0.2	-\$0.2	-\$0.2
Indian River	-\$1.4	-\$1.4	-\$1.4	-\$1.4	-\$1.4
Jackson	-\$0.4	-\$0.4	-\$0.4	-\$0.4	-\$0.4
Jefferson	-\$0.2	-\$0.2	-\$0.2	-\$0.3	-\$0.3
Lafayette	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Lake	-\$3.1	-\$3.2	-\$3.2	-\$3.3	-\$3.3
Lee	-\$8.0	-\$8.1	-\$8.2	-\$8.3	-\$8.5
Leon	-\$2.3	-\$2.3	-\$2.4	-\$2.4	-\$2.4
Levy	-\$0.5	-\$0.5	-\$0.5	-\$0.5	-\$0.5
Liberty	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Madison	-\$0.2	-\$0.2	-\$0.2	-\$0.2	-\$0.2
Manatee	-\$3.2	-\$3.3	-\$3.3	-\$3.4	-\$3.4
Marion	-\$2.8	-\$2.8	-\$2.9	-\$2.9	-\$3.0
Martin	-\$1.6	-\$1.6	-\$1.7	-\$1.7	-\$1.7
Monroe	-\$1.0	-\$1.0	-\$1.0	-\$1.0	-\$1.0

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-4 (Continued)

Tangible Personal Property Exemption Total Tax Impact (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-\$179.0	-\$181.7	-\$184.4	-\$187.2	-\$190.0
Nassau	-\$0.6	-\$0.6	-\$0.6	-\$0.6	-\$0.6
Okaloosa	-\$1.8	-\$1.8	-\$1.9	-\$1.9	-\$1.9
Okeechobee	-\$0.5	-\$0.5	-\$0.5	-\$0.5	-\$0.5
Orange	-\$10.3	-\$10.5	-\$10.6	-\$10.8	-\$10.9
Osceola	-\$2.4	-\$2.4	-\$2.5	-\$2.5	-\$2.5
Palm Beach	-\$12.1	-\$12.3	-\$12.5	-\$12.7	-\$12.8
Pasco	-\$4.2	-\$4.3	-\$4.4	-\$4.4	-\$4.5
Pinellas	-\$9.8	-\$10.0	-\$10.1	-\$10.3	-\$10.4
Polk	-\$7.8	-\$7.9	-\$8.1	-\$8.2	-\$8.3
Putnam	-\$0.6	-\$0.6	-\$0.6	-\$0.6	-\$0.7
St. Johns	-\$1.6	-\$1.6	-\$1.6	-\$1.6	-\$1.7
St. Lucie	-\$2.2	-\$2.3	-\$2.3	-\$2.3	-\$2.4
Santa Rosa	-\$0.8	-\$0.8	-\$0.8	-\$0.9	-\$0.9
Sarasota	-\$3.4	-\$3.5	-\$3.5	-\$3.6	-\$3.6
Seminole	-\$3.5	-\$3.6	-\$3.6	-\$3.7	-\$3.7
Sumter	-\$0.4	-\$0.4	-\$0.4	-\$0.4	-\$0.4
Suwannee	-\$0.3	-\$0.3	-\$0.4	-\$0.4	-\$0.4
Taylor	-\$0.3	-\$0.3	-\$0.3	-\$0.3	-\$0.3
Union	-\$0.1	-\$0.1	-\$0.1	-\$0.1	-\$0.1
Volusia	-\$5.1	-\$5.2	-\$5.3	-\$5.4	-\$5.5
Wakulla	-\$0.2	-\$0.2	-\$0.2	-\$0.2	-\$0.2
Walton	-\$0.6	-\$0.6	-\$0.6	-\$0.6	-\$0.6
Washington	-\$0.2	-\$0.2	-\$0.2	-\$0.2	-\$0.2

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

The preliminary legislative staff tax impacts for portability are shown in Table A-5. These estimates are considerably higher than the range of forecasts predicted by this study due to the different assumptions concerning the sales and price appreciation of the real estate properties in 2008 and 2009.

Table A-5

Portability					
Total Tax Impact (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-\$301.7	-\$737.0	-\$1,115.3	-\$1,528.0	-\$1,946.8
Alachua	-\$3.1	-\$7.7	-\$11.6	-\$15.9	-\$20.2
Baker	-\$0.1	-\$0.3	-\$0.5	-\$0.7	-\$0.9
Bay	-\$0.6	-\$1.5	-\$2.3	-\$3.1	-\$4.0
Bradford	-\$0.1	-\$0.3	-\$0.5	-\$0.6	-\$0.8
Brevard	-\$1.1	-\$2.6	-\$3.9	-\$5.4	-\$6.8
Broward	-\$33.4	-\$81.6	-\$123.4	-\$169.1	-\$215.4
Calhoun	\$0.0	-\$0.1	-\$0.1	-\$0.2	-\$0.2
Charlotte	-\$2.3	-\$5.6	-\$8.5	-\$11.6	-\$14.8
Citrus	-\$1.9	-\$4.6	-\$7.0	-\$9.6	-\$12.2
Clay	-\$1.8	-\$4.4	-\$6.7	-\$9.1	-\$11.6
Collier	-\$8.5	-\$20.6	-\$31.2	-\$42.8	-\$54.5
Columbia	-\$0.4	-\$0.9	-\$1.3	-\$1.8	-\$2.3
Dade	-\$86.7	-\$211.8	-\$320.5	-\$439.1	-\$559.5
DeSoto	-\$0.1	-\$0.3	-\$0.4	-\$0.6	-\$0.7
Dixie	-\$0.1	-\$0.2	-\$0.4	-\$0.5	-\$0.6
Duval	-\$6.6	-\$16.2	-\$24.5	-\$33.6	-\$42.8
Escambia	-\$1.9	-\$4.6	-\$6.9	-\$9.5	-\$12.1
Flagler	-\$1.2	-\$2.8	-\$4.3	-\$5.9	-\$7.5
Franklin	\$0.0	-\$0.1	-\$0.2	-\$0.2	-\$0.3
Gadsden	-\$0.2	-\$0.5	-\$0.7	-\$1.0	-\$1.3
Gilchrist	-\$0.1	-\$0.2	-\$0.4	-\$0.5	-\$0.7
Glades	-\$0.1	-\$0.2	-\$0.2	-\$0.3	-\$0.4

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-5 (Continued)

Portability					
Total Tax Impact (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-\$301.7	-\$737.0	-\$1,115.3	-\$1,528.0	-\$1,946.8
Gulf	-\$0.1	-\$0.2	-\$0.2	-\$0.3	-\$0.4
Hamilton	\$0.0	-\$0.1	-\$0.1	-\$0.2	-\$0.2
Hardee	-\$0.1	-\$0.2	-\$0.2	-\$0.3	-\$0.4
Hendry	-\$0.3	-\$0.7	-\$1.1	-\$1.4	-\$1.8
Hernando	-\$2.1	-\$5.1	-\$7.7	-\$10.5	-\$13.4
Highlands	-\$1.1	-\$2.8	-\$4.2	-\$5.7	-\$7.3
Hillsborough	-\$23.1	-\$56.4	-\$85.3	-\$116.9	-\$148.9
Holmes	-\$0.1	-\$0.1	-\$0.2	-\$0.3	-\$0.4
Indian River	-\$1.6	-\$3.9	-\$5.9	-\$8.1	-\$10.3
Jackson	-\$0.1	-\$0.2	-\$0.3	-\$0.4	-\$0.5
Jefferson	-\$0.1	-\$0.2	-\$0.3	-\$0.5	-\$0.6
Lafayette	-\$0.1	-\$0.1	-\$0.2	-\$0.3	-\$0.3
Lake	-\$3.3	-\$8.0	-\$12.0	-\$16.5	-\$21.0
Lee	-\$11.3	-\$27.7	-\$41.9	-\$57.5	-\$73.2
Leon	-\$3.5	-\$8.5	-\$12.9	-\$17.7	-\$22.6
Levy	-\$0.3	-\$0.7	-\$1.1	-\$1.5	-\$2.0
Liberty	\$0.0	-\$0.1	-\$0.1	-\$0.1	-\$0.2
Madison	-\$0.1	-\$0.2	-\$0.3	-\$0.4	-\$0.5
Manatee	-\$7.3	-\$17.9	-\$27.1	-\$37.2	-\$47.4
Marion	-\$1.5	-\$3.7	-\$5.6	-\$7.7	-\$9.8
Martin	-\$2.8	-\$6.9	-\$10.4	-\$14.2	-\$18.1
Monroe	-\$1.2	-\$2.9	-\$4.5	-\$6.1	-\$7.8

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-5 (Continued)

Portability					
Total Tax Impact (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-\$301.7	-\$737.0	-\$1,115.3	-\$1,528.0	-\$1,946.8
Nassau	-\$0.3	-\$0.8	-\$1.3	-\$1.7	-\$2.2
Okaloosa	-\$1.0	-\$2.4	-\$3.7	-\$5.0	-\$6.4
Okeechobee	-\$0.2	-\$0.6	-\$0.9	-\$1.3	-\$1.6
Orange	-\$8.5	-\$20.7	-\$31.4	-\$43.0	-\$54.8
Osceola	-\$0.9	-\$2.1	-\$3.1	-\$4.3	-\$5.5
Palm Beach	-\$40.5	-\$98.9	-\$149.7	-\$205.1	-\$261.3
Pasco	-\$6.3	-\$15.3	-\$23.1	-\$31.7	-\$40.4
Pinellas	-\$6.9	-\$16.8	-\$25.5	-\$34.9	-\$44.5
Polk	-\$2.7	-\$6.7	-\$10.1	-\$13.8	-\$17.6
Putnam	-\$0.6	-\$1.4	-\$2.1	-\$2.8	-\$3.6
St. Johns	-\$1.3	-\$3.3	-\$4.9	-\$6.8	-\$8.6
St. Lucie	-\$3.9	-\$9.5	-\$14.4	-\$19.7	-\$25.1
Santa Rosa	-\$0.8	-\$2.1	-\$3.1	-\$4.3	-\$5.5
Sarasota	-\$3.6	-\$8.8	-\$13.3	-\$18.2	-\$23.1
Seminole	-\$8.8	-\$21.4	-\$32.4	-\$44.4	-\$56.6
Sumter	-\$0.8	-\$1.8	-\$2.8	-\$3.8	-\$4.8
Suwannee	-\$0.2	-\$0.6	-\$0.9	-\$1.2	-\$1.5
Taylor	\$0.0	-\$0.1	-\$0.2	-\$0.2	-\$0.3
Union	\$0.0	-\$0.1	-\$0.1	-\$0.2	-\$0.3
Volusia	-\$3.5	-\$8.6	-\$13.0	-\$17.8	-\$22.7
Wakulla	-\$0.2	-\$0.6	-\$0.9	-\$1.2	-\$1.5
Walton	-\$0.2	-\$0.4	-\$0.6	-\$0.9	-\$1.1
Washington	-\$0.1	-\$0.3	-\$0.4	-\$0.6	-\$0.7

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

The preliminary legislative staff estimates by county for the ten percent cap on non-homestead property assessed value increases are shown in Table A-6. Only an expected value of the revenue impact is provided, based on assumptions concerning a five-percent cap study that is used as a benchmark to calculate a 10 percent assessment cap impact. This legislative reform is difficult to forecast since if prices increase slowly the overall impact may be quite small. However, if prices rise rapidly, this measure could have a much larger impact on tax revenues. In addition, a forecaster has to make an assumption about the yearly distribution of prices within each county. Certain coastal areas or areas near major growth centers may see much faster price appreciation than inland areas.

Table A-6

Ten Percent Cap					
Total Tax Impact Non-Homestead (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-	-\$50.9	-\$191.7	-\$393.5	-\$527.2
Alachua	-	-\$0.4	-\$1.6	-\$3.4	-\$4.5
Baker	-	\$0.0	-\$0.1	-\$0.1	-\$0.2
Bay	-	-\$0.3	-\$1.3	-\$2.7	-\$3.6
Bradford	-	\$0.0	-\$0.1	-\$0.2	-\$0.2
Brevard	-	-\$0.9	-\$3.3	-\$6.7	-\$9.0
Broward	-	-\$6.1	-\$23.0	-\$47.2	-\$63.2
Calhoun	-	\$0.0	\$0.0	-\$0.1	-\$0.1
Charlotte	-	-\$0.5	-\$2.1	-\$4.2	-\$5.7
Citrus	-	-\$0.3	-\$1.0	-\$2.1	-\$2.9
Clay	-	-\$0.2	-\$0.6	-\$1.3	-\$1.7
Collier	-	-\$1.5	-\$5.6	-\$11.5	-\$15.4
Columbia	-	-\$0.1	-\$0.3	-\$0.6	-\$0.8
Dade	-	-\$9.1	-\$34.3	-\$70.4	-\$94.3
DeSoto	-	\$0.0	-\$0.2	-\$0.4	-\$0.5
Dixie	-	\$0.0	-\$0.1	-\$0.2	-\$0.3
Duval	-	-\$1.4	-\$5.4	-\$11.1	-\$14.9
Escambia	-	-\$0.4	-\$1.5	-\$3.0	-\$4.0
Flagler	-	-\$0.3	-\$1.0	-\$2.0	-\$2.7
Franklin	-	-\$0.1	-\$0.3	-\$0.6	-\$0.8
Gadsden	-	\$0.0	-\$0.1	-\$0.2	-\$0.3
Gilchrist	-	\$0.0	-\$0.1	-\$0.1	-\$0.2
Glades	-	\$0.0	-\$0.1	-\$0.2	-\$0.3

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-6 (Continued)

Ten Percent Cap					
Total Tax Impact Non-Homestead (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-	-\$50.9	-\$191.7	-\$393.5	-\$527.2
Gulf	-	-\$0.1	-\$0.3	-\$0.5	-\$0.7
Hamilton	-	\$0.0	-\$0.1	-\$0.1	-\$0.2
Hardee	-	\$0.0	-\$0.1	-\$0.2	-\$0.3
Hendry	-	-\$0.1	-\$0.4	-\$0.8	-\$1.1
Hernando	-	-\$0.3	-\$1.0	-\$2.0	-\$2.7
Highlands	-	-\$0.2	-\$0.7	-\$1.5	-\$2.0
Hillsborough	-	-\$2.9	-\$11.1	-\$22.7	-\$30.4
Holmes	-	\$0.0	\$0.0	-\$0.1	-\$0.1
Indian River	-	-\$0.4	-\$1.5	-\$3.0	-\$4.0
Jackson	-	\$0.0	-\$0.1	-\$0.2	-\$0.3
Jefferson	-	\$0.0	-\$0.1	-\$0.1	-\$0.2
Lafayette	-	\$0.0	\$0.0	\$0.0	-\$0.1
Lake	-	-\$0.5	-\$2.0	-\$4.2	-\$5.6
Lee	-	-\$3.0	-\$11.2	-\$22.9	-\$30.7
Leon	-	-\$0.4	-\$1.5	-\$3.1	-\$4.1
Levy	-	-\$0.1	-\$0.3	-\$0.6	-\$0.7
Liberty	-	\$0.0	\$0.0	\$0.0	\$0.0
Madison	-	\$0.0	-\$0.1	-\$0.2	-\$0.2
Manatee	-	-\$0.8	-\$3.0	-\$6.1	-\$8.2
Marion	-	-\$0.4	-\$1.6	-\$3.3	-\$4.4
Martin	-	-\$0.5	-\$1.8	-\$3.7	-\$5.0
Monroe	-	-\$0.5	-\$1.9	-\$3.9	-\$5.2

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.

Table A-6 (Continued)

Ten Percent Cap					
Total Tax Impact Non-Homestead (Millions \$)					
Area	2008	2009	2010	2011	2012
State	-	-\$50.9	-\$191.7	-\$393.5	-\$527.2
Nassau	-	-\$0.2	-\$0.8	-\$1.6	-\$2.1
Okaloosa	-	-\$0.3	-\$1.3	-\$2.7	-\$3.6
Okeechobee	-	-\$0.1	-\$0.2	-\$0.4	-\$0.6
Orange	-	-\$3.1	-\$11.6	-\$23.8	-\$31.9
Osceola	-	-\$0.7	-\$2.5	-\$5.2	-\$6.9
Palm Beach	-	-\$5.0	-\$18.8	-\$38.6	-\$51.8
Pasco	-	-\$0.6	-\$2.1	-\$4.3	-\$5.7
Pinellas	-	-\$2.6	-\$9.6	-\$19.8	-\$26.5
Polk	-	-\$0.9	-\$3.5	-\$7.2	-\$9.6
Putnam	-	-\$0.1	-\$0.5	-\$1.0	-\$1.3
St. Johns	-	-\$0.5	-\$1.8	-\$3.7	-\$4.9
St. Lucie	-	-\$1.0	-\$3.8	-\$7.7	-\$10.4
Santa Rosa	-	-\$0.2	-\$0.6	-\$1.2	-\$1.6
Sarasota	-	-\$1.1	-\$4.1	-\$8.5	-\$11.4
Seminole	-	-\$0.7	-\$2.8	-\$5.7	-\$7.6
Sumter	-	-\$0.1	-\$0.3	-\$0.7	-\$0.9
Suwannee	-	\$0.0	-\$0.2	-\$0.3	-\$0.4
Taylor	-	\$0.0	-\$0.1	-\$0.3	-\$0.4
Union	-	\$0.0	\$0.0	\$0.0	-\$0.1
Volusia	-	-\$1.3	-\$5.0	-\$10.3	-\$13.8
Wakulla	-	\$0.0	-\$0.1	-\$0.3	-\$0.4
Walton	-	-\$0.3	-\$1.2	-\$2.4	-\$3.3
Washington	-	\$0.0	-\$0.1	-\$0.2	-\$0.3

Source: Preliminary Florida Legislative Staff Analysis, October, 2007.