

# THE BIG PICTURE



KEEPING FLORIDA...  
**FLORIDA**



## THE “FLORIDA FORMULA” Local services support Florida’s unique quality of life.

Florida’s long-standing formula of low taxes, limited government, and cost-efficient local services contributes to our state’s distinctive character. In fact, Florida ranks among the best in the nation for taxpayer return on investment (ROI), meaning **Floridians get some of the best value in public services for the taxes they pay.**

One of the reasons? **Over 70% of Florida cities have kept property tax millage rates at or below 2020 levels**—proving that, in Florida, local governments deliver efficient, disciplined spending, even in the face of rising costs. That’s why Florida’s effective property tax rate is about half that of Texas. Preserving this proven “Florida formula” will ensure Florida remains a desirable place to live for our residents.

Unfortunately, plans to upend Florida’s tax system (under the guise of “tax reform”) threatens to disrupt this formula, and will likely benefit snowbirds and special interests at the expense of full-time Florida homeowners.



## “Dollars and decisions” belong close to home.

Florida’s 400+ communities have unique needs. Allowing local leaders, who are directly accountable to residents, to address these needs helps maintain effective, efficient, and responsive community services. **That’s part of the “Florida Formula.”**

Today, most of Florida’s tax dollars are raised and spent locally, not sent off to a distant capital. This local focus leads to better-tailored decisions and greater accountability. That’s why Florida voters approved 89% of local tax referenda in the 2023-24 election cycle—and a total of 177 times between 2010 and 2022—directing funding to priorities like schools, infrastructure, and public safety. When voters see value, they vote “yes.”

**Centralizing property tax decisions in Tallahassee would ignore the unique differences between Florida’s communities and erode the accountability that comes when spending is controlled close to home.**



FLORIDA  
**FORMULA**

2025



### Keep voter-approved protections that safeguard homeowners.

Florida voters approved our current property tax system to protect year-round homeowners from unpredictable increases in property tax assessments.

#### It's called "Save Our Homes," and it puts full-time Florida homeowners first.

This constitutional amendment caps annual assessment increases on homesteaded properties at 3% (or CPI, whichever is lower). In practical terms, a homeowner's taxable value can only go up a few percentage points each year even if market prices soar, **establishing a firewall against sudden tax spikes.**

This protection creates a cap between **just value**—the market-based value of a property—and **taxable value**—the amount actually used to calculate a homeowner's tax bill. In many cases, long-time Florida residents are taxed on a fraction of their home's actual value. That's not a loophole—it's a voter-approved safeguard. And it's working.

It worked: over the last several years of rising real estate values, homestead property tax bills have grown modestly (capped ~3% per year), while other costs have exploded.

For instance, Florida's average home insurance premiums have more than doubled (+102%) in just the past three years.



### On taxes, cities held the line while prices climbed.

Since COVID, the cost of providing essential public safety services in Florida has surged—far exceeding price increases for everyday goods. Police vehicles alone now cost nearly 30% more than in 2020. Fuel costs for patrol cars have doubled in some areas. Expenses for ammunition, body armor, radios, specialized gear, and training have all climbed sharply due to inflation and supply chain issues.

**Yet despite these rising costs, over 70% of Florida cities have maintained property tax rates at or below pre-pandemic levels—**avoiding tax hikes and providing stable services in challenging economic times.





# RISKS OF OVERTURNING FLORIDA'S PROPERTY TAX SYSTEM



### Upending Florida's property tax system will not solve the affordability issues.

The real driver of Florida's affordability crisis is sky-high insurance premiums. Florida homeowners' insurance premiums have surged by over 100% in the last three years (now three times the U.S. average), whereas homesteaded property tax assessment increases are legally capped at 3% per year.

**Scrapping our property tax system will not make Florida more affordable.** It will not bring down your insurance bill or the price of groceries and gas.



### Eliminating property taxes shifts burdens onto full-time residents.

Historically, this sort of "tax reform" often benefits special interests (like large corporations and non-resident "snowbirds") while leaving everyday Florida homesteaders, renters, and small businesses to pick up the tab through other taxes and fees.

**That's exactly what these new property tax proposals are likely to do.** Eliminating Florida's property taxes would blow a **\$43 billion hole in budgets** for schools, public safety, and infrastructure—money that would have to come from somewhere else. What's the replacement? All signs point to hefty increases in other taxes and fees.

In fact, experts calculate that to raise the equivalent revenue, **Florida would need to double its state sales tax to 12 percent**, making it the highest in the nation, and hitting every family's wallet every day. That kind of tax swap shifts the burden onto residents through a regressive tax on consumption, while special interests and out-of-state property owners (who currently contribute via property taxes) could end up paying far less.

In short, upending the property tax doesn't eliminate taxes—it shifts them onto families. Everyday Floridians would face higher sales taxes, increased utility and service fees, or even new local fees to make up the difference. This scheme would leave renters and small businesses paying more (through higher prices and rents, as landlords pass on costs), all to deliver a windfall to special interests.

Floridians shouldn't be fooled: there's no free lunch—**removing property taxes simply means paying more elsewhere.**





### Centralized policies overlook local needs.

A one-size-fits-all tax plan does not respect the unique differences between Florida's communities. **Centralizing decision-making in state hands increases costs, decreases efficiency, and limits local accountability.**

Florida's 400+ cities vary greatly—and what works for Orlando might not fit Okeechobee. Local governments currently tailor services and taxes to their community's priorities. They also have a track record of accountability: an 89% approval rate on local tax referendums in recent years.

Replacing locally-raised revenue with funds routed through Tallahassee would **sever that direct line of accountability**. Centralization also means one-size policies that overlook local conditions, whether it's a coastal city's resiliency projects or a rural town's road repairs.

Finally, a centralized system is almost always less efficient: Florida's tax system is currently among the most efficient in the nation **precisely because local dollars are spent closer to home**. Handing those decisions to a centralized authority could introduce political trade-offs that have nothing to do with local needs.



### Keep Public Safety Local: You Can't Cut the Engine and Still Drive the Car

In Florida, public safety is typically the largest part of a city's budget—often comprising over half of general fund spending. Yet, property taxes typically cover only part of these critical costs, meaning **eliminating property taxes would force cities to make impossible choices: cut emergency services or drastically raise fees elsewhere**.

With public safety consuming the lion's share of city budgets, this so-called "tax reform" could deliver hits to local law enforcement and emergency response.

**Public safety works best when it's funded locally**—directly by residents, transparently, and close to home.



## Florida's property tax system works because voters designed it.

It delivers exactly what Floridians want: low taxes, high value, and local accountability. The real problem isn't local taxes—it's skyrocketing property insurance premiums.

**Florida already has one of the most efficient tax systems in the nation.**

Let's fix what's actually broken, and **protect what already works**.



FLORIDA  
FORMULA



2025