

Property Tax Data Packet

Purpose

This customized data packet is designed to be a conversational starting point between municipal officials and state legislators about Florida's property tax system and the critical role ad valorem revenue plays in municipal finance. The financial data in this packet is sourced from the Office of Economic and Demographic Research (EDR). This data is self-reported by municipalities.

THE DATA PACKET SERVES TWO KEY PURPOSES:

1. Starts the conversation about how current proposals may affect local governments.
2. Demonstrates reliance on ad valorem revenue to fund essential city services, especially public safety.

What's Inside

KEY TERMS AND MILLAGE RATE TRENDS

This section includes relevant terminology and definitions related to property taxes to frame the discussion about municipal finances. It introduces foundational concepts such as "millage rate" and the "Save Our Homes" assessment cap and describes how these technical terms fit into the overall property tax discussion.

Millage rate trends for fiscal years 2020-2024 illustrate that municipalities adjust their millage rates in response to the increasing costs of business and circumstances specific to the municipality.

MILLAGE RATE BREAKDOWN

This section includes a helpful graphic to depict how each property tax dollar was distributed in 2024 among the county, municipality, school district, and special districts. The millage rate information is sourced from a sample 2024 property tax bill for a single-family residential property located in the municipality.

This visual shows how municipalities receive only a portion of the revenue from every dollar that residents pay in property taxes.

AD VALOREM REVENUES COMPARED TO PUBLIC SAFETY EXPENDITURES

The graph illustrates the municipality's ad valorem revenue that is available to fund public safety expenditures, such as law enforcement and fire control, for fiscal years 2019-2023.

This visual highlights the critical need for and reliance on ad valorem revenue as a funding source.

JUST VALUE VERSUS TAXABLE VALUE

The graph shows the gap between the just value and the taxable value for property within the municipality from fiscal years 2007-2024.

The graph depicts how the impact of Save Our Homes compounds over time. As residents remain in their homes and have their annual assessed rates capped, the gap between the just and taxable value of properties has increased.

RESTRICTED VS. UNRESTRICTED REVENUES

The graph compares the unrestricted and restricted revenue sources for a municipality from fiscal years 2019-2023. This section also includes a breakdown of totals for the four sources of unrestricted revenues for fiscal year 2023.

Unrestricted revenues can be used for general operations and are flexible in their expenditure. This packet defines unrestricted revenues as ad valorem revenue, municipal utility tax, communications services tax, and local business tax. Restricted revenue sources, such as building permit fees, state and federal grants, and charges for services, can only be used for specific purposes. Other common types of restricted revenue sources include interest on investments, pension fund contributions, and franchise fees.

Typically, a large percentage of a municipality's unrestricted revenue is comprised of ad valorem taxes, as depicted by the graph's striped shading. Municipalities are unable to shift funds around or tap into reserves for general use. This visual highlights municipalities' heavy reliance on ad valorem taxes as a revenue stream.

AD VALOREM REVENUES COMPARED TO GENERAL FUND EXPENDITURES

This graph compares ad valorem revenue to several general fund expenditures, which may include:

- Law Enforcement
- Fire Control
- Parks and Recreation
- Roads and Streets

The graph underscores the direct connection between ad valorem revenue and the provision of public safety and quality of life services.

How to Use This Packet

- Bring it to meetings with state legislators and staff.
- Use visuals to explain the realities of your municipality's budget.
- Reference key terms and breakdowns to demystify local government finances.
- Encourage dialogue about how legislative proposals may affect municipal operations and delivery of key services like public safety.