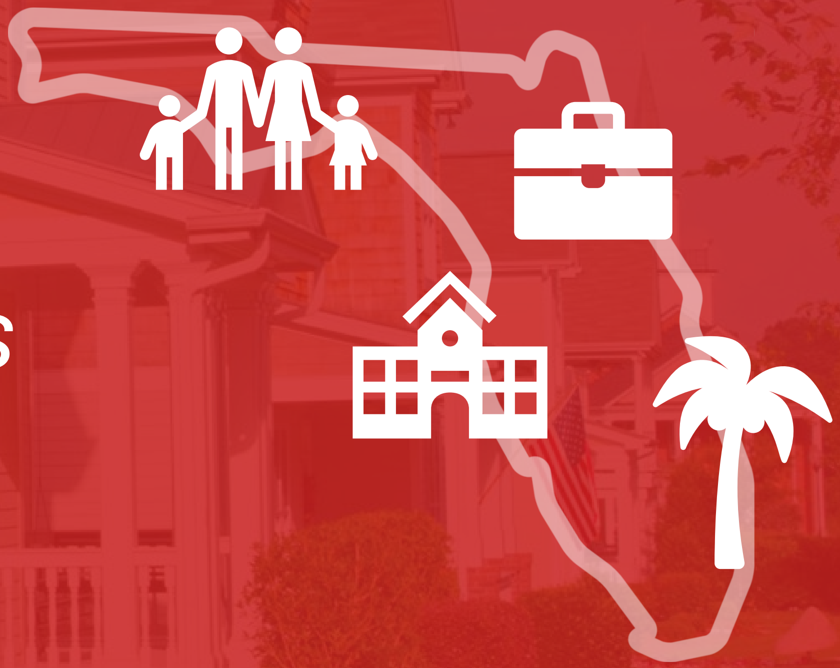
WHAT'S REALLY AT STAKE:

What This Amendment Means for Your Community



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Local Government At-A-Glance

411
cities, towns, and villages

67
counties

67
school districts

2,082
special districts

Cities are the only optional layer.

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How Your City is **Funded**

Restricted Revenue

- Local Option Sales Tax
- Gas Tax
- Building Inspection Fees
- Impact Fees

Unrestricted Revenue

- **Property Taxes**
- Local Business Tax (LBT)
- Communication Sales Tax (CST)
- Municipal Utility Services Tax

Cities receive ***very little*** from sales taxes.

How Your City is **Funded**

Statewide, here’s how a dollar breaks down across core services

- **34.9 cents to the county**
- **38.9 cents to the school district**
- **15.7 cents to the municipality**
- **10.5 cents to other & special districts**

What Property Taxes *Actually* Pay For

Property taxes are typically the **primary source of funding** for core services:

Police

Fire

Roads

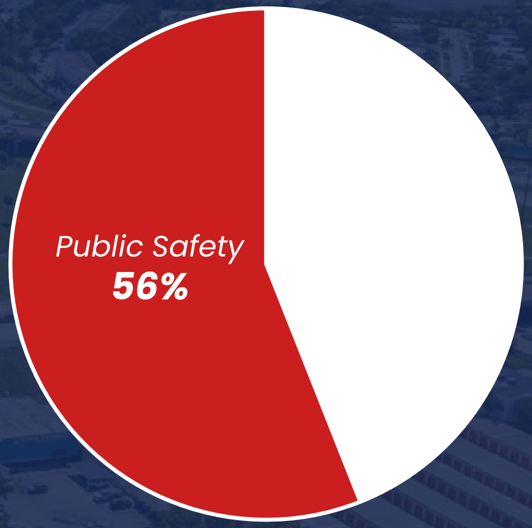
Infrastructure

What Property Taxes *Actually* Pay For

Public safety accounts for **more than 56%** of cities' general fund spending statewide.

(Source: Wichita State/FIU, Dec 2025)

City General Fund



How Property Tax Rates Are Set Today

Through a **transparent local budget process**, your city's tax and spending decisions are largely determined by **those who must live with the consequences** and be accountable to the voters

From Tax Rates to Tax Bills

- Homesteaded properties currently benefit from a **3% annual cap on increases** in assessed value
- Existing homeowners can **transfer up to $500,000** in Save Our Homes tax savings to a new home, helping keep property taxes lower by carrying over the assessed value
- **Market value** vs. **assessed value** vs. **taxable value**

What's Being **Proposed**

If approved, the amendment would:

- **Increase** the homestead property tax exemption **from $50,000 to $150,000,** beginning January 1, 2027
- **Further increase** the exemption **to $250,000**, beginning January 1, 2028
- Reduces the cap on annual assessment increases for non-homestead properties from **10%** to **5%**

Does NOT change the cost of services

Does NOT create a state trust fund, so there is no replacement revenue

Unintended Consequences

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1. **Tax Shift**
2. **Cut Critical Services**

It's a Tax Shift, *Not* a Tax Cut

The amendment removes revenue. The cost of services does not change.

- **Homeowners below $250,000:** smaller city bill, but the cost shifts to other taxes, fees, and local prices
- **Homeowners above $250,000:** absorb a larger share through higher millage rates — subsidizing those below.

One person's **tax exemption** is another person's **tax increase**.

The Roll-Back Rate Becomes a Roll-Up Rate

- The amendment didn't change how the roll-back rate is calculated
- When you shrink the pool of taxpayers, the remaining taxpayers carry a larger share
- To hit the previous year's revenue with fewer payers, cities have to **raise millage (hence, 'roll up')**

Roll-Back Rate:
A formula set in statute — what your millage rate would need to be to raise last year's revenues

Who Else Pays More Under a Tax Shift

Local Businesses: Higher non-homestead property taxes, rent, and local fees

Renters: No homestead benefit, but landlords' taxes go up → rent goes up

Consumers: Costs passed along at the register

First-Time Homebuyers: Five-year requirement disqualifies many

That's not a tax cut. That's a tax shift.

Public Safety Hit Hard

With the $250,000 homestead exemption, **85 cities could not fund public safety at current levels**, even if all other property-tax-funded services were eliminated.

In at least **176 Florida cities**, spending on police, fire, and EMS ***exceeds* all property tax revenue collected**.

Florida Is a **Hurricane State**

- Local governments need to respond fast when storms hit
- Property taxes are a **steady, local resource** that lets cities act immediately — not wait on Tallahassee or Washington
- Stable funding keeps crews ready and recovery moving, so families and businesses bounce back sooner

Strong local revenue = strong local recovery

Bonds and Infrastructure

Property tax revenue backs the bonds cities issue to build and maintain infrastructure.

Smaller tax base = lower bonding capacity = **higher interest rates**

That means less ability to finance roads, stormwater, utilities, and public facilities.

Less money for essential services today.

Less capacity to fund critical needs tomorrow.

More traffic. Slower emergency response. Greater vulnerability during storms.

Ripple Effects

From Self-Reliant to **State-Dependent**

TODAY

Local decisions are made by people who live with the consequences — on the TRIM notice, or at the ballot box

UNDER THIS AMENDMENT

Politicians in Tallahassee decide on what gets funded in communities they don't live in, and services they don't use

Even supporters acknowledge **roughly *half* of Florida's counties** won't fund basic services without state grants

Sales Taxes Are a *Bad* Backup Plan

- **65 of 67** Florida counties already levy a local surtax — most have no room to raise it
- Once counties hit the ceiling, the pressure moves to Tallahassee to raise the state sales tax
- Sales taxes **collapse in downturns** — they fell sharply in 2008 and during COVID
- Property taxes have historically been **stable and predictable** through both

The Bottom Line

It's not a tax cut —

It's a tax shift.

It doesn't protect public safety —

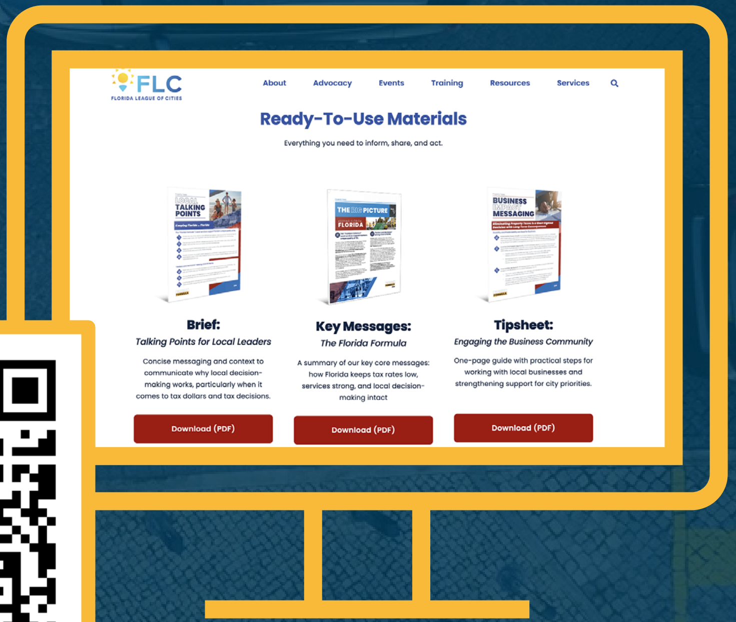
It defunds it.

It doesn't empower communities —

It makes them dependent on the state.

What You Can Do

- **Learn More**
- **Share with Your Networks**
- **View Resources**



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