

LOCAL VOICES MAKING LOCAL CHOICES

FINANCE AND TAXATION COMMITTEE

MEETING DETAILS

DATE	Friday, November 13, 2026
TIME	10:00 a.m. – 2:00 p.m. ET
ROOM	Florida Ballroom 1-3
VENUE	Hilton Orlando
ADDRESS	6001 Destination Parkway, Orlando, FL 32819

FLC STAFF CONTACT

Charles Chapman



Agenda

Finance and Taxation Legislative Policy Committee
Friday, November 13, 2026, from 10:00 a.m. to 2:00 p.m.
Hilton Orlando – Meeting Room: Florida Ballroom 1-3
6001 Destination Parkway, Orlando, Florida

AGENDA

I. Introduction and Opening Remarks..... **Chair Diana Adams**
Councilmember, City of West Melbourne

II. Potential 2027 Priority and Policy Issues

a. Property Taxes ..... **Charles Chapman, FLC Staff**

i. Truth in Millage (TRIM) Notice Revisions – FLC

ii. Tangible Personal Property Tax..... **Carmen Rosamonda**
City Manager, City of DeBary

b. Local Business Tax Repeal/Reform..... **Charles Chapman, FLC Staff**

c. Taxpayer Bill of Rights (TABOR) ..... **Charles Chapman, FLC Staff**

d. Usage Flexibility for Local Option Sales Taxes ..... **Carolyn Cassidy**
Commissioner, Town of Ocean Ridge

e. Zero Based Budgeting ..... **Charles Chapman, FLC Staff**

f. Communications Services Tax Reform ..... **Charles Chapman, FLC Staff**

III. Ranking of Proposed Policy Issues ..... **Charles Chapman, FLC Staff**

IV. Additional Information..... **Charles Chapman, FLC Staff**

a. FLC Legislative Conference Registration

b. Key Legislative Dates

c. Key Contacts – Click HERE to sign up

d. 2026 Legislative Session Final Report

e. State Municipal Reporting Requirements

V. Closing Remarks ..... **Chair Diana Adams**
Councilmember, City of West Melbourne

VI. Adjournment

Breakfast and Lunch provided by the Florida League of Cities

Wi-Fi is Available
Network: FLCPC1126
Access Code: FLCPC1126



Committee Roster

FLORIDA LEAGUE OF CITIES

2026-2027 Finance and Taxation Committee



CHAIR
Diana Adams
Councilmember
City of West Melbourne



VICE CHAIR
Susy Diaz
Councilmember
City of Greenacres



STAFF SUPPORT
Charles Chapman
FLC Legislative Advocate



Jeremy Allen
Village Manager
Village of Tequesta



Joseph Barkley
Commissioner
City of Belleair Bluffs



Thomas Barnhorn
Councilor
City of Seminole



Melinda Brown
Comptroller
City of Satellite Beach



Fitzgerald Budhoo
Commissioner
City of Oakland Park



Michael Cadore
Councilman
City of Rockledge



Beth Carsten
City Administrator
City of Arcadia



Kenneth Cassel
Town Manager
Town of Dundee



Carolyn Cassidy
Commissioner
Town of Ocean Ridge

Michael DiBrizzi
Commissioner
City of Largo

Brent Eden
Commissioner
City of Lake Alfred



Kevin Engelke
Councilmember
City of Venice



Maureen Freaney
Mayor
City of Dunedin



Judith Goldberg
Commissioner
Town of Highland Beach

Mimi Hanley
Councilmember
City of Melbourne

Lizbeth Harrison
Councilmember
Town of Century



Jeff Hmara
Mayor
Village of Royal Palm Beach

Lori Houghton
Finance Director
City of Tavares



Linda Hudson
Mayor
City of Fort Pierce



Lory Irwin
Director of Finance
City of Daytona Beach Shores

Charles Jacien
Town Clerk
Town of Astatula

Sarah Karon
Commissioner
Town of Longboat Key



David Keller
Chief Financial Officer
City of Hollywood



Kathy Kelley Ohlrich
Vice Mayor
City of Sarasota



Joe Kilraine
Councilmember
City of Cape Coral



NanDrycka King Albert
Mayor Pro Tem
City of Midway



Vince Lago
Mayor
City of Coral Gables



Peter Lear
Deputy City Manager
City of Bartow



John Lege
Assistant City Manager
City of Fort Myers



Joseph Lo Bello
Town Manager
Town of Lake Clarke Shores



Lisa Mallozzi
Commissioner
City of Cooper City



Dale Martin
City Manager
City of Flagler Beach



Chris Massicotte
Commissioner
City of Key West



Kevin McCann
Mayor
City of Winter Springs



Bethany Messersmith
Assistant Comptroller
City of Satellite Beach



Roger Michaud
Mayor
Town of Lake Park



Mike Miller
Mayor
City of Sanibel



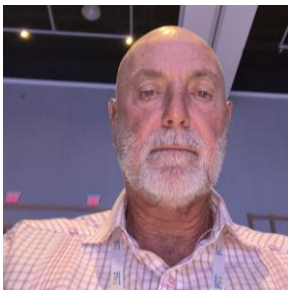
Matt Morgan
Commissioner
City of Longwood



Stephen Okiye
Finance Director / Treasurer
City of Port St. Lucie



Demetrius Petrow
Commissioner
City of North Port



Orlando Puyol
Vice Mayor
Village of North Palm Beach



Gary Ready
Councilmember
Village of Palm Springs



Thomas Reid
Vice Mayor
City of South Pasadena



Dennis Rogero
Chief Financial Officer
City of Tampa



Carmen Rosamonda
City Manager
City of DeBary



Megan Sladek
Mayor
City of Oviedo



Vernel Smith
Mayor
City of Haines City



Kelly Rae Strickland
Director of Financial Administration
City of Sarasota



Caroline Sturgis
Director, Office of Management & Budget
City of Port St. Lucie



Debra Sullivan
City Administrator
City of Belleair Bluffs



Colleen Taylor
Commissioner
City of Lake Mary



Darrel Thomas
Chief Financial Officer
City of Weston



Ann Toney-Deal
City Manager
City of Seminole



John Wagner
Councilman
City of Jacksonville Beach



Kathy Washington
Mayor
Town of Welaka



Patricia Weeks
Councilmember
City of Cocoa



Judy Wertz Strickland
Mayor
City of Arcadia



Robert Yaffe
Councilmember
Town of Bay Harbor Islands



William Yates
Mayor
City of Winter Haven



Property Taxes

Truth in Millage (TRIM) Notice Revision

Draft Priority or Policy Statement:

To Be Developed.

Background:

During the past two legislative sessions, lawmakers have taken particular interest in local government finances, including efforts to increase transparency and accountability through legislation such as HB 1329, Local Government Financing, and HB 827, Disclosure of Estimated Ad Valorem Taxes. These efforts, paired with the ongoing discussions surrounding property tax reform, provide an opportunity for municipalities to help residents better understand their local budget process, how property taxes are calculated, and where their tax dollars go.

Current property tax notices, including the Notice of Proposed Property Taxes (DR-474, also known as the TRIM notice), provide taxpayers with information about their property values, proposed tax rates, and upcoming hearings. However, the notices can be difficult to understand and lack context that would help residents understand the factors affecting changes in their property tax bill and how their tax dollars are distributed among the different taxing authorities.

Rather than waiting for changes to the property tax notice process to be proposed by the Legislature, cities have the opportunity to proactively work with lawmakers to improve the information provided to taxpayers while ensuring any changes accurately reflect municipal budgets and the property tax process.

The Iowa League of Cities pursued a similar initiative during the 2026 Legislative Session. The Iowa League sought to update its taxpayer notice to make the information less confusing and more transparent, help residents understand year-to-year changes in their property taxes, and encourage greater participation in the local budget process.

As part of the effort, the Iowa League of Cities developed and proposed its own re-designed taxpayer notice. The proposed notice included information on upcoming budget hearings, and explanation of the steps in the local budget process, and a visual breakdown showing the share of a taxpayer's property tax bill collected by each taxing authority. By proactively developing the proposed notice and working with lawmakers, the Iowa League was able to address misconceptions surrounding local government finances while ensuring cities had a voice in how the notice was revised.

Sec. 147. IMPLEMENTATION. Homestead owners who have filed for or that are receiving homestead credits or exemptions under chapter 425, subchapter I, before the effective date of this division of this Act shall continue to receive such credits and exemptions for which the owner is eligible for assessment years beginning on or after January 1, 2026, without refiling, and, if the owner is eligible, shall receive the exemption under section 425.1A, subsection 1A, as enacted in this division of this Act, without filing for such exemption.

Sec. 148. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to assessment years beginning on or after January 1, 2026.

DIVISION XXI

LOCAL GOVERNMENT BUDGET STATEMENTS

Sec. 149. Section 24.2A, subsection 1, paragraph c, Code 2026, is amended by striking the paragraph.

Sec. 150. Section 24.2A, subsection 2, paragraph a, Code 2026, is amended to read as follows:

a. On or before 4:00 p.m. on March 5 of each year, each political subdivision shall file with the department of management a report containing all necessary information for the department of management to compile and calculate amounts required to be included in the statements mailed under paragraph *"b"* or provided under paragraph *"c"*. If a county or city fails to file all necessary information with the department of management by 4:00 p.m. on March 5, taxes levied by the county or city shall be limited to the prior year's budget amount.

Sec. 151. Section 24.2A, subsection 2, paragraph b, Code 2026, is amended by striking the paragraph and inserting in lieu thereof the following:

b. Not later than March 15, the county auditor, using information compiled and calculated by the department of management under paragraph *"a"*, shall send to each property owner or taxpayer within the county by regular mail or post under paragraph *"c"* a statement, identified as not being a property tax bill and indicating the approximate date when a property tax bill will be delivered, but containing a minimum of all of the following, including the information

in subparagraphs (3) and (4) for each of the political subdivisions comprising the owner's or taxpayer's taxing district:

(1) The address, property description, parcel identification number, actual value, and taxable value of the owner's or taxpayer's property.

(2) A comparison of the combined amount of property taxes due on the owner's or taxpayer's property for the city, if applicable, county, and school district for the current fiscal year and the combined proposed amount of property taxes due on the owner's or taxpayer's property for the city, if applicable, county, and school district for the budget year, including the percentage in change in such amounts.

(3) The date, time, and location of the political subdivision's public hearing under subsection 4, including a statement of the owner or taxpayer's ability to provide feedback at the public hearing and protest property assessments.

(4) Information on how to access on the political subdivision's internet site the political subdivision's statements under this section and other budget documents for prior fiscal years.

(5) A link to the department of management's internet site where the property owner or taxpayer may view an example of the statement and a brief explanation of the information included on the statement.

Sec. 152. Section 24.2A, subsection 2, Code 2026, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* For budgets for fiscal years beginning on or after July 1, 2027, statements under paragraph "*b*", in lieu of regular mail, may be provided by posting the statement not later than March 15 as a link on the county's internet site for public viewing. Additionally, if the political subdivision maintains a social media account on one or more social media applications, the statement or an electronic link to the statement shall be posted on each such account on a date no later than March 15.

Sec. 153. Section 24.2A, subsection 3, Code 2026, is amended to read as follows:

3. The department of management shall prescribe the form for the report required under subsection 2, paragraph "a"; following consultation with the Iowa league of cities and the Iowa state association of counties, the statements required to be mailed under subsection 2, paragraph "b", or provided under subsection 2, paragraph "c"; and the public hearing notice required under subsection 4, paragraph "b". The statements required under subsection 2, paragraph "b", shall be clear, concise, written in plain language, and may be presented using tables, written narrative, and graphic representations and shall contain the internet site, if applicable, and a telephone number for each political subdivision that owners and taxpayers may call if they have questions related to the statement.

Sec. 154. Section 24.2A, subsection 4, paragraph b, subparagraph (4), subparagraph division (a), Code 2026, is amended to read as follows:

(a) Notice of the public hearing was provided to each property owner and each taxpayer within the political subdivision in statements required under subsection 2~~, paragraph "b"~~.

Sec. 155. Section 24.3, unnumbered paragraph 1, Code 2026, is amended to read as follows:

A municipality shall not certify or levy in any fiscal year any tax on property subject to taxation unless and until the following estimates have been made, filed, and considered, and for school districts, the ~~individual~~ statements have been mailed or posted, as applicable, and public hearings held, as provided in this chapter:

Sec. 156. Section 331.434, subsection 3, Code 2026, is amended to read as follows:

3. Following, and not until, the requirements of section 24.2A are completed, the board shall set a time and place for a public hearing on the budget before the final certification date and shall publish notice of the hearing not less than ten nor more than twenty days prior to the hearing in the county newspapers selected under chapter 349. A summary of the proposed budget and a description of the procedure for protesting the county budget under section 331.436, in the form prescribed by the director of the department of management,



Corn County

Jane Smith, Auditor-Treasurer
345 12th Street East, Box 78
Farmville, IA 55555-5555
(555) 345-6789
www.co.corn.ia.us

PROPOSED TAXES 2025

THIS IS NOT A BILL. DO NOT PAY.

TAXPAYER(S):

John and Mary Johnson
123 Bean Blvd
Farmville, IA 55555-5555

Property Information

PIN Number: 01.234.56.789.R1

Property Address: 789 Bean Blvd Farmville, IA 55555

Step 1 | VALUES AND CLASSIFICATION

Taxes Payable Year	FY 2024	FY 2025
Class	Residential	Residential
Assessed Value	$150,000	$154,500
Rollback Percentage	46.3428%	47.4316%
Taxable Value	$69,514	$73,282
Homestead property tax credit	$4,850	$4,850
Elderly homestead property tax exemption	$0	
Military property tax exemption	$0	

Step 2 | PROPOSED TAX

Property taxes after rollback, credits and exemptions $2,287.24

The time to provide feedback on PROPOSED LEVIES is NOW: see meeting information below.

Property tax assessments can be appealed; contact the County Assessor's office for more information.

Proposed Property Taxes and Meetings by Jurisdiction for Your Property

Contact Information	Meeting Information	Proposed Property Tax Rate	Actual 2024	Proposed 2025	Dollar Change
County of Corn Corn County Courthouse 123 Bean Blvd Farmville, IA 55555 www.co.corn.ia.us (555) 123-4567	December 5, 7:00 PM	$7.59	$490.80	$503.19	$12.39
City of Farmville Mayor's Office 456 Pork Parkway Farmville, IA 55555 www.ci.farmville.ia.us (555) 123-7654	December 2, 6:30 PM Farmville City Hall	$10.59	$669.27	$686.17	$16.90
Farmville School District 999 150 1st St N Farmville, IA 55555 www.farmville.k12.ia.us (555) 123-6789	December 9, 7:00 PM Farmville High School Cafeteria	$13.80	$892.36	$914.90	$22.54
Other Local Tax Authority Levies (combined)		$2.75	$178.47	$182.98	$4.51

Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district's voter approved property tax for 2025 may be higher than the proposed amount shown on this notice.

Total excluding any special assessments	**$2,230.90**	**$2,287.24**	**$56.34**	**2.46%**

What Else Should You Know?

Your local units of government have proposed the amounts they will need to levy in 2025.

The following circumstances could change these amounts:

- Upcoming referenda
- Legal judgments
- Natural disasters
- Voter-approved specific purpose levies
- Special assessments

Your county supervisors, school board, city council, and any required special taxing district will soon be holding meetings to discuss the 2025 budgets and proposed 2025 property taxes. You are invited to attend these meetings to express your opinion.

Supplemental Budget Information - Proposed 2025 Taxes

Where Do Your Property Taxes Go?

Corn County collects property taxes and distributes them to the City of Farmville and other taxing entities, including the Farmville school districts, community college, and other independent taxing authorities (assessor and county hospital).



How Can You Learn More?

The time to provide feedback on proposed levies is now.

The city invites all concerned citizens to a public hearing for the purpose of hearing comments regarding the proposed city tax increase and to explain the reasons for the proposed tax increase.

PUBLIC HEARING
November 11, 2025 at 7 p.m.
City Hall, 123 Main Street, Our Town, IA
Virtual Meeting Link (if available): giveinput.com

To obtain more information regarding the tax increase, citizens may contact their city hall, county supervisor, or school board.

DR-474N, R. 11/12
Rule 12D-16.002, F.A.C., Eff. 11/12

Owner Name
Owner Address
Owner City, State

Legal Description of Property:

The taxing authorities which levy property taxes against your property will soon hold PUBLIC HEARINGS to adopt budgets and tax rates for the next year.

The purpose of these PUBLIC HEARINGS is to receive opinions from the general public and to answer questions on the proposed tax change and budget PRIOR TO TAKING FINAL ACTION. Each taxing authority may AMEND or ALTER its proposals at the hearing.

NOTICE OF PROPOSED PROPERTY TAXES AND PROPOSED OR ADOPTED NON-AD VALOREM ASSESSMENTS

DO NOT PAY. THIS IS NOT A BILL

Taxing Authority	Your Property Taxes Last Year	Last Year's Adjusted Tax Rate (Millage)	Your Taxes This Year IF NO Budget Change Is Adopted	Your Tax Rate This Year IF PROPOSED Budget Is Adopted (Millage)	Your Taxes This Year IF PROPOSED Budget Change Is Adopted	A Public Hearing on the Proposed Taxes and Budget Will Be Held:
County						Enter date, time, and location.
Public Schools: By State Law By Local Board						
Municipality						
Water Management						
Independent Districts						
Voted Levies For Debt Service						
Total Property Taxes						
	Column 1*		Column 2*		Column 3*	

***SEE REVERSE SIDE FOR EXPLANATION**

NON-AD VALOREM ASSESSMENTS

Levying Authority	Purpose of Assessment	Units	Rate	Assessment
Total Non-Ad Valorem Assessment				

Reverse of Page 1:

EXPLANATION

*Column 1—YOUR PROPERTY TAXES LAST YEAR
This column shows the taxes that applied last year to your property. These amounts were based on budgets adopted last year and your property's previous taxable value.

*Column 2—YOUR TAXES THIS YEAR IF NO BUDGET CHANGE IS ADOPTED
This column shows what your taxes will be this year IF EACH TAXING AUTHORITY DOES NOT CHANGE ITS PROPERTY TAX LEVY. These amounts are based on last year's budgets and your current assessment.

*Column 3—YOUR TAXES THIS YEAR IF PROPOSED BUDGET CHANGE IS ADOPTED
This column shows what your taxes will be this year under the BUDGET ACTUALLY PROPOSED by each local taxing authority. The proposal is NOT final and may be amended at the public hearings shown on the front side of this notice. The difference between columns 2 and 3 is the tax change proposed by each local taxing authority and is NOT the result of higher assessments.

NOTE: Amounts shown on this form do NOT reflect early payment discounts you may have received or may be eligible to receive. (Discounts are a maximum of 4 percent of the amounts shown on this form.)

Non-Ad Valorem Assessments:

Non-ad valorem assessments are placed on this notice at the request of the respective local governing boards. Your tax collector will be including them on the November tax notice. For details on particular non-ad valorem assessments, contact the levying local governing board.

If the Notice does not include all of the non-ad valorem assessments that will be included on the tax bill, the following statement must be on the bottom of the first page in bold, conspicuous print:

Your final tax bill may contain non-ad valorem assessments which may not be reflected on this notice such as assessments for roads, fire, garbage, lighting, drainage, water, sewer, or other governmental services and facilities which may be levied by your county, city, or any special district.

PROPERTY VALUATION

	Last Year	This Year
Market Value		

Taxing Authority*	**Assessed Value**		**Exemptions**		**Taxable Value**	
	Last Year	This Year	Last Year	This Year	Last Year	This Year
County						
Public Schools By State Law By Local Law						
Municipality						
Water Management						
Independent Districts						
Voted Levies for Debt Service						

Assessment Reductions	**Applies to**	**Value**
***List each assessment reduction applicable to property**.		

Exemptions	**Applies to**	**Value**
***List each exemption applicable to property.**		

If you feel that the market value of your property is inaccurate or does not reflect fair market value, or if you are entitled to an exemption or classification that is not reflected above, contact your county property appraiser at_____ (phone number) or _____ (location).

If the property appraiser's office is unable to resolve the matter as to market value, classification, or an exemption, you may file a petition for adjustment with the Value Adjustment Board. Petition forms are available from the county property appraiser and must be filed ON OR BEFORE _____ (date).

Market Value:

Market value in Florida is also known as “just value” as provided by the constitution and described in state law. It is the amount a purchaser willing but not obliged to buy would pay to one willing but not obliged to sell, after proper consideration of all eight factors in section 193.011, F.S.

Assessed Value:

Assessed value is the market value of your property minus the amount of any assessment reductions. The assessed value may be different for millage levies made by different taxing authorities.

Assessment Reductions:

Properties can receive an assessment reduction for a number of reasons. Some of the common reasons are below.

- There are limits on how much the assessment of your property can increase each year. The Save Our Homes program and the limitation for non-homestead property are examples.
- Certain types of property, such as agricultural land and land used for conservation, are valued on their current use rather than their market value.
- Some reductions lower the assessed value only for levies of certain taxing authorities.

If your assessed value is lower than your market value because limits on increases apply to your property or because your property is valued based on its current use, the amount of the difference and reason for the difference are listed in the third box on page 2.

Exemptions:

Exemptions are specific dollar or percentage amounts that reduce assessed value. These are usually based on characteristics of the property or property owner. Examples include the homestead exemption, veterans’ disability exemptions and charitable exemptions. The discount for disabled veterans is included in this box. Many exemptions apply only to tax levies by the taxing authority granting the exemption.

Taxable Value:

Taxable value is the value used to calculate the tax due on your property. Taxable value is the assessed value minus the value of exemptions and discounts.

Tangible Personal Property Taxes
Submission by: Carmen Rosamonda, City Manager, City of DeBary

DRAFT STATEMENT

The Florida League of Cities supports raising the Tangible Personal Property exemption from $25,000 to $50,000. This increase would provide tax relief to thousands of Florida small businesses, allowing them to reinvest savings in employees, equipment, and growth. At the same time, municipalities would retain an important revenue source by continuing to tax larger businesses and utilities with significant tangible assets. This balanced approach strengthens small businesses while protecting local governments' ability to fund essential services.

BACKGROUND

The Florida Constitution reserves ad valorem taxation on real and tangible personal property to local governments. Ad valorem taxes are annual taxes levied by counties, municipalities, school districts, and certain special districts. These taxes are based on the just value (fair market value) of real and tangible property as determined by county property appraisers on January 1 of each year.

Tangible personal property of a business is singled out for special treatment in the Constitution. Tangible personal property is subject to ad valorem taxation. The Florida Constitution provides for a $25,000 exemption from the assessed value of tangible personal property subject to ad valorem taxation.

2024 & 2026 SESSION

In 2024, HJR 7075, submitted by Representative Danny Alvarez proposed raising the exemption to $50,000 to the Ways and Means Committee to place this measure on the 2024 ballot. This joint resolution not pass and never made it to the ballot.

In the 2026 Legislative Session, Senate Bill 550 and Senate Bill 552 (Bernard & Yarborough) were filed to introduce legislation proposing amendments to the Florida Constitution and state statutes to prohibit local government from levying ad valorem taxes on tangible personal property in its entirety.

MUNICIPAL REVENUE IMPACT

Total elimination of ad valorem tax on tangible personal property for businesses has a wide variety of municipal revenue impacts dependent on the industries located in each municipality. Those cities that have large manufacturing and power plants will be impacted greatly with full elimination.

For example, the City of DeBary has two major power plants manufacturing electricity for over 5 million customers. The turbines to generate electricity located on real property is classified as

tangible personal property under Florida law. They are not a permanent structure affixed to real property and are replaceable. In the City of DeBary, these turbines are valued over $1B, generating over $4M in revenue annually. It makes up 34% of the City of DeBary's total annual revenue. If TPP tax is eliminated, it would cause ad valorem tax for residents on their homes to increase by more than 50%. DeBary has a population of 25,000 residents.

Florida has over 266 electricity generation plants owned by a wide variety of companies which include but not limited to Duke Energy of Florida, LLC, Florida Power & Light Company, etc.

The State of Florida has an estimated 4.1 million active registered business entities. We strongly believe that it is the intent of the Florida Legislature to assist small businesses. We agree.

Simply raising the exception from $25,000 to $50,000 will assist thousands upon thousands of small businesses, the likely intent of the introduced bills, without largely impacting revenues in municipalities and shifting the tax burden onto residents.

Based upon Florida Senate Finance & Tax materials and Florida Tax Watch, tangible personal property had a reported just value of $239.3 billion in 2024. TPP taxes generate approximately $3.2 billion per year for Florida counties, cities, school districts and special districts. The approximate number of TPP accounts statewide in 2024 is approximately 1.2 million.

2025
Local Government Financial Information Handbook

February 2026

The Florida Legislature's

Office of Economic and Demographic Research

Part One:
Revenue Source Authorized in the State Constitution

The ability of local governments to raise revenue for their operations is limited by the state constitution.

> No tax shall be levied except in pursuance of law. No state ad valorem taxes shall be levied upon real estate or tangible personal property. All other forms of taxation shall be preempted to the state except as provided by general law.[1]
>
> Counties, school districts, and municipalities shall, and special districts may, be authorized by law to levy ad valorem taxes and may be authorized by general law to levy other taxes, for their respective purposes, except ad valorem taxes on intangible personal property and taxes prohibited by this constitution.[2]

These constitutional provisions expressly authorize counties, municipalities, and school districts to levy ad valorem taxes. A discussion of the ad valorem tax is the subject of Part One of this report. These constitutional provisions also preserve legislative discretion for the levy of all other taxes by requiring general law authorization.

However, not all local government revenue sources are taxes requiring general law authorization. When a county or municipal revenue source is imposed by ordinance, the judicial question is whether the charge meets the legal sufficiency test for a valid assessment or fee. As long as the charge is not deemed a tax, the imposition of the assessment or fee by ordinance is within the constitutional and statutory home rule powers of county and municipal governments. These home rule revenue sources are addressed in Part Two of this report.

If the charge fails the legal sufficiency test for a valid assessment or fee, it is deemed a revenue source requiring general law authorization. Part Three of this report addresses local government revenue sources authorized by general law.

1. Article VII, s. 1(a), Fla. Const.
2. Article VII, s. 9(a), Fla. Const.

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Ad Valorem Tax

Article VII, Section 9, Florida Constitution
Chapters 192-197 and 200, Florida Statutes

Summary:
The ability of local governments to raise revenue for governmental operations is limited by the state constitution.

> Counties, school districts, and municipalities shall, and special districts may, be authorized by law to levy ad valorem taxes and may be authorized by general law to levy other taxes, for their respective purposes, except ad valorem taxes on intangible personal property and taxes prohibited by this constitution.[1]

> Ad valorem taxes, exclusive of taxes levied for the payment of bonds and taxes levied for periods not longer than two years when authorized by vote of the electors who are the owners of freeholds therein not wholly exempt from taxation, shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property: for all county purposes, ten mills; for all municipal purposes, ten mills; for all school purposes, ten mills; for water management purposes for the northwest portion of the state lying west of the line between ranges two and three east, 0.05 mill; for water management purposes for the remaining portions of the state, 1.0 mill; and for all other special districts a millage authorized by law approved by vote of the electors who are owners of freeholds therein not wholly exempt from taxation. A county furnishing municipal services may, to the extent authorized by law, levy additional taxes within the limits fixed for municipal purposes.[2]

With the exception of the ad valorem tax and constitutionally and statutorily authorized home-rule revenue sources (i.e., fees and assessments), local governments are dependent on the Legislature for the authority to levy other forms of taxation. Therefore, the relative importance of the ad valorem tax as a local government revenue source is increased.

To summarize, local governments may levy ad valorem taxes subject to the following limitations.

1. Ten mills for county purposes.
2. Ten mills for municipal purposes.
3. Ten mills for school purposes.
4. A millage fixed by law for a county furnishing municipal services.
5. A millage authorized by law and approved by voters for special districts.

As mentioned, the state constitution provides two exceptions to the ten-mill cap. The exceptions include a voted debt service millage and a voted millage not to exceed a period of two years. Additionally, no property may be subject to more than twenty mills of ad valorem tax for municipal and county purposes without elector approval, regardless of the property's location, under the state constitution. Duval County-City of Jacksonville is a consolidated government; therefore, it has a twenty-mill cap since it operates as both a county and municipal government.

1. Article VII, s. 9(a), Fla. Const.
2. Article VII, s. 9(b), Fla. Const.

County Millages:
County government millages are composed of four categories of millage rates.[3]

1. County general millage is the nonvoted millage rate set by the county's governing body.
2. County debt service millage is the rate necessary to raise taxes for debt service as authorized by a vote of the electors pursuant to Article VII, s. 12, Fla. Const.
3. County voted millage is the rate set by the county's governing body as authorized by a vote of the electors pursuant to Article VII, s. 9(b), Fla. Const.
4. County dependent special district millage is set by the county's governing body pursuant to s. 200.001(5), F.S., and added to the county's millage to which the district is dependent. A dependent special district is defined as a special district that meets at least one of four criteria specified in law.[4]

County Furnishing Municipal Services:
General law implements the constitutional provision authorizing a county furnishing municipal services to levy additional taxes within the limits fixed for municipal purposes via the establishment of municipal service taxing or benefit units.[5] The distinction between a municipal service taxing unit (MSTU) and a municipal service benefit unit (MSBU) is that a MSTU is the correct terminology when the mechanism used to fund the county services is derived through taxes rather than service charges or special assessments (i.e., MSBU). The MSTU may encompass the entire unincorporated area, a portion of the unincorporated area, or all or part of the boundaries of a municipality. However, the inclusion of municipal boundaries within the MSTU is subject to the consent by ordinance of the governing body of the affected municipality given either annually or for a term of years.

The creation of a MSTU allows the county's governing body to place the burden of ad valorem taxes upon property in a geographic area that is less than countywide in order to fund municipal-type services. The MSTU is used in a county budget to separate those ad valorem taxes levied within the taxing unit itself to ensure that the funds derived from the tax levy are used within the boundaries of the taxing unit for the contemplated services. If ad valorem taxes are levied to provide these municipal services, counties may levy up to ten mills.[6]

Municipal Millages:
Municipal government millages are composed of four categories of millage rates.[7]

1. Municipal general millage is the nonvoted millage rate set by the municipality's governing body.
2. Municipal debt service millage is the rate necessary to raise taxes for debt service as authorized by a vote of the electors pursuant to Article VII, s. 12, Fla. Const.
3. Municipal voted millage is the rate set by the municipality's governing body as authorized by a vote of the electors pursuant to Article VII, s. 9(b), Fla. Const.
4. Municipal dependent special district millage is set by the municipality's governing body pursuant to s. 200.001(5), F.S., and added to the municipality's millage to which the district is dependent and included as municipal millage for the purpose of the ten-mill cap.

3. Section 200.001(1), F.S.
4. Section 189.012(2), F.S.
5. Section 125.01(1)(q), F.S.
6. Section 200.071(3), F.S.
7. Section 200.001(2), F.S.

School District Millages:
As previously stated, the state constitution restricts the levy of nonvoted ad valorem tax levies for school purposes to ten mills.[8] The voted levies, which are constitutionally available to counties and municipalities as well as school districts, do not count toward the ten-mill cap. School district millage rates are composed of five categories.[9]

1. Nonvoted required school operating millage necessary to meet Required Local Effort (RLE) is determined by the Commissioner of Education and set by the school board. For operating purposes, it is imposed pursuant to s. 1011.60(6), F.S., and reflects the minimum financial effort required for support of the Florida Education Finance Program (FEFP) as prescribed in the current year's General Appropriations Act.
2. Nonvoted discretionary school operating millage is the rate set by the school board for operating purposes other than the required local effort millage rate imposed pursuant to s. 1011.60(6), F.S., and the nonvoted capital improvement millage rate imposed pursuant to s. 1011.71(2), F.S. The Legislature annually prescribes in the appropriations act the maximum amount of millage a district may levy.[10]
3. Nonvoted district school capital improvement millage is the rate set by the school board for capital improvements as authorized in s. 1011.71(2), F.S. General law limits the maximum rate at 1.5 mills.[11] However, a district school board is authorized to levy an additional millage of up to 0.25 mills for fixed capital outlay under certain circumstances.[12]
4. Voted district school operating millage is the rate set by the school board for current operating purposes as authorized by a vote of the electors pursuant to Section 9(b), Art. VII, State Constitution.
5. Voted district school debt service millage is the rate set by the school board as authorized by a vote of the electors pursuant to Section 12, Art. VII, State Constitution.

The Florida Department of Education's *Funding for Florida School Districts 2024-25*, provides an overview of school district funding and discussion of school district millages.[13]

Independent Special District Millages:
Independent special district millages are the rates set by the district's governing body, and the following issues must be addressed.[14]

1. Whether the millage authorized by a special act is approved by the electors pursuant to Article VII, s. 9(b), Fla. Const.; authorized pursuant to Article XII, s. 15, Fla. Const.; or otherwise authorized.
2. Whether the tax is to be levied countywide, less than countywide, or on a multicounty basis.

8. Counties, municipalities, and school districts may levy taxes in excess of the ten-mill limit to pay bonds or for periods no longer than two years when authorized by a vote of the electorate, pursuant to Article VII, s. 9(b), Fla. Const. In addition to the maximum millage levied pursuant to s. 1011.71, F.S., and the General Appropriations Act, a school district may levy, by local referendum or in a general election, additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under this section, does not exceed the 10-mill limit established in Article VII, s. 9(b), Fla. Const. Any such levy shall be for a maximum of 4 years and shall be counted as part of the 10-mill limit.
9. Section 200.001(3), F.S.
10. Section 1011.71(1), F.S.
11. Section 1011.71(2), F.S.
12. Section 1011.71(3), F.S.
13. https://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf
14. Section 200.001(4), F.S.

Adjustments to the Tax Base:
The ad valorem taxable base is the fair market value of locally assessed real estate, tangible personal property, and state assessed railroad property, less certain exclusions, differentials, exemptions, credits and deferrals. [15] Intangible personal property is excluded because it is separately assessed and taxed by the state. Exclusions are specific types of property constitutionally or statutorily removed from ad valorem taxation. Differentials are reductions in assessments that result from a valuation standard other than fair market value. Exemptions are deductions from the assessed value that are typically specified as a dollar amount (e.g., homestead exemption of $25,000). Credits are deductions from the tax liability of a particular taxpayer and may take the form of allowances, discounts, and rebates. Deferrals allow for changes in the timing of payments but do not reduce the taxpayer's overall tax liability.

General Law Amendments:
The list below represents the legislation enacted during the 2025 Regular Legislative Session that amended provisions in one or more of the following chapters of the Florida Statutes, which address the ad valorem tax, its administration, and other relevant issues: Chapter 192, general provisions of taxation; Chapter 193, assessments; Chapter 194, administrative and judicial review of property taxes; Chapter 195, administration of property assessments; Chapter 196, exemptions; Chapter 197, tax collections, sales, and liens; and Chapter 200, determination of millage. These chapter laws are available via the Department of State's Division of Library and Information Services website.[16]

Chapter Law #	Subject
2025-6	Florida Statutes / Reviser's Bill
2025-116	Brownfields
2025-190	Emergencies
2025-208	Taxation

Eligibility Requirements:
Florida's constitution authorizes counties, municipalities, and school districts to levy ad valorem taxes. At its discretion, the Legislature may authorize special districts to levy ad valorem taxes. Millage rates are fixed only by ordinance or resolution of the taxing authority's governing body in the manner specifically provided by general law or special law.[17] Millage rates vary among local governments subject to constitutional, statutory, and political limitations.

Administrative Procedures:
The DOR and units of local government administer the ad valorem tax. Two county constitutional officers, the property appraiser and tax collector, have primary responsibility for the administration and collection of ad valorem taxes at the local level. The property appraiser is charged with determining the fair market value, the assessed value, and the values of applicable exemptions to arrive at the taxable value of all property within the county, pursuant to constitutional and statutory requirements. The property appraiser is also tasked with maintaining appropriate records related to the valuation of such property. The tax collector is charged with the collection of ad valorem taxes levied by the county, school district, all municipalities within the county, and any special taxing districts within the county.

15. See the Florida Revenue Estimating Conference's *2025 Florida Tax Handbook Including Fiscal Impact of Potential Changes,* pp.217-231 at https://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook.pdf for additional detail.
16. http://laws.flrules.org/
17. Section 200.001(7), F.S.

The DOR has general supervision of the assessment and valuation of property so that all property is placed on the tax rolls and valued according to its just valuation. Additionally, the DOR prescribes and furnishes all forms as well as prescribes rules and regulations to be used by property appraisers, tax collectors, clerks of circuit court, and value adjustment boards in administering and collecting ad valorem taxes.

Distribution of Proceeds:
The tax collector distributes taxes to each taxing authority.[18]

Authorized Uses:
Ad valorem taxes are considered general revenue for general-purpose local governments (i.e., county, municipality, or consolidated city-county government) as well as for school districts. An independent special district may be restricted in the expenditure of the revenue for the purpose associated with the district's creation. If ad valorem taxes are levied within a municipal service taxing unit (MSTU), the expenditure of those funds may be restricted to those services specified in s. 125.01(1)(q), F.S.

Attorney General Opinions:
Florida's Attorney General has issued hundreds of legal opinions relevant to this revenue source. The full texts of those opinions are available via the searchable on-line database of legal opinions.[19] Interested persons may view the opinions by accessing the website and performing a search using the keyword phrase *ad valorem tax*. Local government officials seeking more clarification should review the opinions in their entirety. The reader should keep the date of the opinion in mind when reviewing its relevance to current law or any interpretations that have been articulated in Florida case law.

Prior Years' Revenues:
The State's Revenue Estimating Conference for Ad Valorem Assessment adopts detailed forecasts by county that are available on EDR's website.[20] In addition, the DOR annually publishes online its *Florida Property Valuations & Tax Data*, which contain tax data by local jurisdiction.[21] Using data obtained from the department's annual reports, several summaries that profile historical millage rates and ad valorem taxes levied by counties, municipalities, and school districts have been compiled.[22]

18. Section 197.383, F.S.
19. https://www.myfloridalegal.com/ag-opinions
20. https://edr.state.fl.us/Content/conferences/advalorem/index.cfm
21. http://floridarevenue.com/property/Pages/DataPortal_DataBook.aspx
22. http://edr.state.fl.us/Content/local-government/data/data-a-to-z/index.cfm

City-by-City Data on **Taxable Values**

FLC
FLORIDA LEAGUE OF CITIES

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Alachua	Alachua	$403,813,861	$748,857,192	$196,647,270	$1,349,318,323	**29.93%**	55.50%	14.6%
Alachua	Archer	$15,494,520	$30,649,143	$9,229,382	$55,373,045	**27.98%**	55.35%	16.7%
Alachua	Gainesville	$1,966,760,241	$8,205,602,348	$844,441,635	$11,016,804,224	**17.85%**	74.48%	7.7%
Alachua	Hawthorne	$16,727,221	$46,736,492	$13,366,611	$76,830,324	**21.77%**	60.83%	17.4%
Alachua	High Springs	$283,833,878	$206,488,414	$46,244,272	$536,566,564	**52.90%**	38.48%	8.6%
Alachua	La Crosse	$5,920,626	$7,578,265	$1,484,456	$14,983,347	**39.51%**	50.58%	9.9%
Alachua	Micanopy	$15,972,292	$24,237,630	$5,640,740	$45,850,662	**34.84%**	52.86%	12.3%
Alachua	Newberry	$338,514,133	$263,946,911	$183,518,717	$785,979,761	**43.07%**	33.58%	23.3%
Alachua	Waldo	$6,323,455	$28,002,709	$6,395,815	$40,721,979	**15.53%**	68.77%	15.7%
Baker	Glen St. Mary	$7,399,393	$15,166,077	$1,446,402	$24,011,872	**30.82%**	63.16%	6.0%
Baker	Macclenny	$158,769,345	$210,886,385	$44,636,524	$414,292,254	**38.32%**	50.90%	10.8%
Bay	Callaway	$308,106,655	$585,735,774	$53,271,341	$947,113,770	**32.53%**	61.84%	5.6%
Bay	Lynn Haven	$720,749,383	$931,206,134	$116,184,249	$1,768,139,766	**40.76%**	52.67%	6.6%
Bay	Mexico Beach	$87,776,875	$665,787,939	$7,976,827	$761,541,641	**11.53%**	87.43%	1.0%
Bay	Panama City	$881,535,509	$2,311,347,704	$456,783,263	$3,649,666,476	**24.15%**	63.33%	12.5%
Bay	Panama City Beach	$796,094,441	$7,329,108,371	$284,517,560	$8,409,720,372	**9.47%**	87.15%	3.4%
Bay	Parker	$81,292,315	$210,503,653	$15,917,570	$307,713,538	**26.42%**	68.41%	5.2%
Bay	Springfield	$89,210,714	$276,167,251	$25,931,881	$391,309,846	**22.80%**	70.58%	6.6%
Bradford	Brooker	$6,208,174	$4,624,962	$2,103,750	$12,936,886	**47.99%**	35.75%	16.3%
Bradford	Hampton	$4,592,631	$7,401,087	$2,163,345	$14,157,063	**32.44%**	52.28%	15.3%
Bradford	Lawtey	$7,514,563	$10,443,631	$4,316,000	$22,274,194	**33.74%**	46.89%	19.4%
Bradford	Starke	$66,216,017	$170,205,095	$48,934,506	$285,355,618	**23.20%**	59.65%	17.1%
Brevard	Cape Canaveral	$426,469,996	$1,581,692,200	$35,889,510	$2,044,051,706	**20.86%**	77.38%	1.8%
Brevard	Cocoa	$420,796,682	$1,068,524,898	$223,538,944	$1,712,860,524	**24.57%**	62.38%	13.1%
Brevard	Cocoa Beach	$939,485,115	$2,138,987,056	$35,326,746	$3,113,798,917	**30.17%**	68.69%	1.1%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Brevard	Indialantic	$338,109,066	$294,562,940	$7,701,492	$640,373,498	**52.80%**	46.00%	1.2%
Brevard	Indian Harbour Beach	$709,061,723	$667,061,926	$13,306,399	$1,389,430,048	**51.03%**	48.01%	1.0%
Brevard	Malabar	$224,956,560	$163,603,890	$35,028,132	$423,588,582	**53.11%**	38.62%	8.3%
Brevard	Melbourne	$2,381,423,550	$5,233,590,101	$574,921,255	$8,189,934,906	**29.08%**	63.90%	7.0%
Brevard	Melbourne Beach	$389,015,117	$254,154,710	$1,676,011	$644,845,838	**60.33%**	39.41%	0.3%
Brevard	Melbourne Village	$35,524,860	$35,785,848	$1,375,688	$72,686,396	**48.87%**	49.23%	1.9%
Brevard	Palm Bay	$3,827,336,437	$4,831,853,945	$298,795,065	$8,957,985,447	**42.73%**	53.94%	3.3%
Brevard	Palm Shores	$49,438,613	$72,553,310	$3,429,345	$125,421,268	**39.42%**	57.85%	2.7%
Brevard	Rockledge	$1,037,741,962	$1,328,886,830	$116,032,158	$2,482,660,950	**41.80%**	53.53%	4.7%
Brevard	Satellite Beach	$880,890,703	$629,401,370	$11,505,738	$1,521,797,811	**57.88%**	41.36%	0.8%
Brevard	Titusville	$1,192,199,348	$2,064,714,547	$148,770,662	$3,405,684,557	**35.01%**	60.63%	4.4%
Brevard	West Melbourne	$1,077,768,270	$1,819,502,916	$109,664,088	$3,006,935,274	**35.84%**	60.51%	3.6%
Broward	Coconut Creek	$2,169,439,140	$3,719,148,730	$190,457,836	$6,079,045,706	**35.69%**	61.18%	3.1%
Broward	Cooper City	$2,708,500,820	$1,563,862,990	$74,049,328	$4,346,413,138	**62.32%**	35.98%	1.7%
Broward	Coral Springs	$6,777,851,450	$7,839,783,410	$394,454,422	$15,012,089,282	**45.15%**	52.22%	2.6%
Broward	Dania Beach	$897,038,770	$4,724,805,580	$1,384,331,668	$7,006,176,018	**12.80%**	67.44%	19.8%
Broward	Davie	$6,373,291,970	$7,852,059,290	$553,928,798	$14,779,280,058	**43.12%**	53.13%	3.7%
Broward	Deerfield Beach	$2,718,932,820	$8,089,341,210	$508,126,909	$11,316,400,939	**24.03%**	71.48%	4.5%
Broward	Fort Lauderdale	$17,409,064,310	$40,197,906,580	$1,334,722,514	$58,941,693,404	**29.54%**	68.20%	2.3%
Broward	Hallandale Beach	$1,522,637,550	$6,753,664,590	$188,909,422	$8,465,211,562	**17.99%**	79.78%	2.2%
Broward	Hillsboro Beach	$837,380,740	$1,058,341,130	$10,793,173	$1,906,515,043	**43.92%**	55.51%	0.6%
Broward	Hollywood	$6,926,546,260	$16,819,775,110	$1,656,873,743	$25,403,195,113	**27.27%**	66.21%	6.5%
Broward	Lauderdale Lakes	$448,995,490	$1,458,784,700	$93,076,428	$2,000,856,618	**22.44%**	72.91%	4.7%
Broward	Lauderdale-By-The-Sea	$1,017,197,940	$2,585,479,490	$27,669,332	$3,630,346,762	**28.02%**	71.22%	0.8%
Broward	Lauderhill	$1,302,698,580	$2,902,159,230	$184,376,588	$4,389,234,398	**29.68%**	66.12%	4.2%
Broward	Lazy Lake	$3,713,870	$6,954,480	$230,429	$10,898,779	**34.08%**	63.81%	2.1%
Broward	Lighthouse Point	$2,246,860,120	$1,504,805,370	$28,285,961	$3,779,951,451	**59.44%**	39.81%	0.7%
Broward	Margate	$1,810,121,700	$2,976,694,170	$173,594,907	$4,960,410,777	**36.49%**	60.01%	3.5%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Broward	Miramar	$6,416,021,660	$8,174,621,340	$514,942,947	$15,105,585,947	**42.47%**	54.12%	3.4%
Broward	North Lauderdale	$778,310,250	$1,628,946,380	$87,508,855	$2,494,765,485	**31.20%**	65.29%	3.5%
Broward	Oakland Park	$1,598,933,420	$4,010,411,880	$173,411,940	$5,782,757,240	**27.65%**	69.35%	3.0%
Broward	Parkland	$6,168,067,050	$1,905,440,820	$69,641,861	$8,143,149,731	**75.75%**	23.40%	0.9%
Broward	Pembroke Park	$13,370,580	$1,044,144,390	$125,613,076	$1,183,128,046	**1.13%**	88.25%	10.6%
Broward	Pembroke Pines	$8,407,232,160	$9,795,903,440	$559,636,128	$18,762,771,728	**44.81%**	52.21%	3.0%
Broward	Plantation	$5,616,422,270	$7,832,263,360	$459,995,210	$13,908,680,840	**40.38%**	56.31%	3.3%
Broward	Pompano Beach	$4,581,728,390	$15,611,237,070	$890,031,056	$21,082,996,516	**21.73%**	74.05%	4.2%
Broward	Sea Ranch Lakes	$223,265,650	$136,756,750	$1,898,765	$361,921,165	**61.69%**	37.79%	0.5%
Broward	Southwest Ranches	$1,527,306,000	$856,334,620	$69,456,712	$2,453,097,332	**62.26%**	34.91%	2.8%
Broward	Sunrise	$3,008,474,880	$7,432,528,610	$423,092,566	$10,864,096,056	**27.69%**	68.41%	3.9%
Broward	Tamarac	$2,592,653,040	$3,606,570,560	$295,527,932	$6,494,751,532	**39.92%**	55.53%	4.6%
Broward	West Park	$352,470,760	$664,025,230	$27,116,332	$1,043,612,322	**33.77%**	63.63%	2.6%
Broward	Weston	$6,495,026,920	$5,442,699,760	$239,087,374	$12,176,814,054	**53.34%**	44.70%	2.0%
Broward	Wilton Manors	$910,760,370	$1,364,143,890	$37,714,385	$2,312,618,645	**39.38%**	58.99%	1.6%
Calhoun	Altha	$3,829,733	$7,390,270	$3,737,022	$14,957,025	**25.60%**	49.41%	25.0%
Calhoun	Blountstown	$21,303,250	$50,938,789	$10,947,624	$83,189,663	**25.61%**	61.23%	13.2%
Charlotte	Punta Gorda	$2,344,054,216	$2,519,769,883	$199,054,163	$5,062,878,262	**46.30%**	49.77%	3.9%
Citrus	Crystal River	$144,838,852	$512,601,600	$45,426,003	$702,866,455	**20.61%**	72.93%	6.5%
Citrus	Inverness	$118,695,648	$479,615,306	$83,253,350	$681,564,304	**17.42%**	70.37%	12.2%
Clay	Green Cove Springs	$346,508,315	$334,107,799	$60,656,073	$741,272,187	**46.75%**	45.07%	8.2%
Clay	Keystone Heights	$34,278,586	$50,856,503	$11,065,298	$96,200,387	**35.63%**	52.87%	11.5%
Clay	Orange Park	$262,624,842	$554,598,807	$39,116,247	$856,339,896	**30.67%**	64.76%	4.6%
Clay	Penney Farms	$2,555,226	$21,144,410	$2,429,512	$26,129,148	**9.78%**	80.92%	9.3%
Collier	Everglades	$18,578,330	$109,488,869	$6,367,886	$134,435,085	**13.82%**	81.44%	4.7%
Collier	Marco Island	$5,181,360,537	$11,673,456,963	$275,060,844	$17,129,878,344	**30.25%**	68.15%	1.6%
Collier	Naples	$14,340,626,749	$23,746,645,846	$628,331,163	$38,715,603,758	**37.04%**	61.34%	1.6%
Columbia	Fort White	$119,344,484	$758,388,746	$237,039,624	$1,114,772,854	**10.71%**	68.03%	21.3%
Columbia	Lake City	$16,507,311	$18,940,577	$3,899,310	$39,347,198	**41.95%**	48.14%	9.9%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Desoto	Arcadia	$64,595,517	$210,585,026	$51,314,340	$326,494,883	**19.78%**	64.50%	15.7%
Dixie	Cross City	$8,992,211	$26,547,748	$11,422,809	$46,962,768	**19.15%**	56.53%	24.3%
Dixie	Horseshoe Beach	$6,256,370	$61,709,589	$133,988	$68,099,947	**9.19%**	90.62%	0.2%
Duval	Atlantic Beach	$1,562,560,290	$1,295,557,103	$46,021,711	$2,904,139,104	**53.80%**	44.61%	1.6%
Duval	Baldwin	$19,928,892	$44,470,534	$11,899,324	$76,298,750	**26.12%**	58.28%	15.6%
Duval	Jacksonville	$29,554,992,493	$60,439,151,445	$8,753,732,278	$98,747,876,216	**29.93%**	61.21%	8.9%
Duval	Jacksonville Beach	$2,224,285,378	$3,399,031,799	$138,106,330	$5,761,423,507	**38.61%**	59.00%	2.4%
Duval	Neptune Beach	$697,422,229	$648,582,243	$26,306,308	$1,372,310,780	**50.82%**	47.26%	1.9%
Escambia	Century	$9,094,331	$41,425,449	$8,295,037	$58,814,817	**15.46%**	70.43%	14.1%
Escambia	Pensacola	$2,011,936,556	$3,778,761,310	$580,807,105	$6,371,504,971	**31.58%**	59.31%	9.1%
Flagler	Beverly Beach	$49,795,822	$68,539,911	$2,932,505	$121,268,238	**41.06%**	56.52%	2.4%
Flagler	Bunnell	$110,059,361	$238,396,775	$47,108,508	$395,564,644	**27.82%**	60.27%	11.9%
Flagler	Flagler Beach (part)	$481,764,735	$680,555,701	$38,829,763	$1,201,150,199	**40.11%**	56.66%	3.2%
Flagler	Marineland (part)		$12,827,853	$1,046,525	$13,874,378	**0.00%**	92.46%	7.5%
Flagler	Palm Coast	$4,735,782,947	$4,861,555,864	$305,373,677	$9,902,712,488	**47.82%**	49.09%	3.1%
Franklin	Apalachicola	$71,078,244	$197,243,612	$9,299,613	$277,621,469	**25.60%**	71.05%	3.3%
Franklin	Carrabelle	$28,968,591	$156,796,839	$5,438,344	$191,203,774	**15.15%**	82.01%	2.8%
Gadsden	Chattahoochee	$10,432,538	$28,833,032	$3,567,212	$42,832,782	**24.36%**	67.32%	8.3%
Gadsden	Greensboro	$2,899,491	$6,928,087	$1,536,217	$11,363,795	**25.52%**	60.97%	13.5%
Gadsden	Gretna	$6,882,073	$26,704,674	$6,177,487	$39,764,234	**17.31%**	67.16%	15.5%
Gadsden	Havana	$46,330,399	$47,072,119	$10,997,277	$104,399,795	**44.38%**	45.09%	10.5%
Gadsden	Midway	$85,334,962	$121,473,951	$77,593,367	$284,402,280	**30.01%**	42.71%	27.3%
Gadsden	Quincy	$67,958,969	$206,701,035	$49,780,527	$324,440,531	**20.95%**	63.71%	15.3%
Gilchrist	Bell	$5,787,816	$21,704,150	$1,787,915	$29,279,881	**19.77%**	74.13%	6.1%
Gilchrist	Fanning Springs (part)	$17,199,066	$20,708,998	$717,686	$38,625,750	**44.53%**	53.61%	1.9%
Gilchrist	Trenton	$24,022,562	$58,885,273	$26,430,206	$109,338,041	**21.97%**	53.86%	24.2%
Glades	Moore Haven	$11,831,359	$46,860,357	$3,746,550	$62,438,266	**18.95%**	75.05%	6.0%
Gulf	Port St. Joe	$154,363,831	$537,662,607	$28,791,634	$720,818,072	**21.42%**	74.59%	4.0%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Gulf	Wewahitchka	$24,805,141	$56,476,888	$15,703,042	$96,985,071	**25.58%**	58.23%	16.2%
Hamilton	Jasper	$10,517,640	$46,210,204	$28,399,161	$85,127,005	**12.36%**	54.28%	33.4%
Hamilton	Jennings	$2,027,980	$12,345,252	$8,881,287	$23,254,519	**8.72%**	53.09%	38.2%
Hamilton	White Springs	$5,083,705	$15,750,968	$6,002,503	$26,837,176	**18.94%**	58.69%	22.4%
Hardee	Bowling Green	$18,195,917	$46,912,075	$4,670,183	$69,778,175	**26.08%**	67.23%	6.7%
Hardee	Wauchula	$38,786,871	$141,592,289	$17,535,053	$197,914,213	**19.60%**	71.54%	8.9%
Hardee	Zolfo Springs	$9,122,185	$33,397,640	$6,191,326	$48,711,151	**18.73%**	68.56%	12.7%
Hendry	Clewiston	$117,825,688	$228,886,942	$28,990,378	$375,703,008	**31.36%**	60.92%	7.7%
Hendry	LaBelle	$52,153,372	$265,457,601	$58,249,854	$375,860,827	**13.88%**	70.63%	15.5%
Hernando	Brooksville	$182,789,280	$487,704,313	$77,999,621	$748,493,214	**24.42%**	65.16%	10.4%
Highlands	Avon Park	$75,130,190	$337,360,051	$56,278,844	$468,769,085	**16.03%**	71.97%	12.0%
Highlands	Lake Placid	$62,022,857	$214,279,868	$66,310,157	$342,612,882	**18.10%**	62.54%	19.4%
Highlands	Sebring	$213,342,667	$756,730,241	$83,585,800	$1,053,658,708	**20.25%**	71.82%	7.9%
Hillsborough	Plant City	$906,080,494	$3,240,806,320	$644,839,276	$4,791,726,090	**18.91%**	67.63%	13.5%
Hillsborough	Tampa	$19,023,504,033	$37,439,946,509	$3,523,396,349	$59,986,846,891	**31.71%**	62.41%	5.9%
Hillsborough	Temple Terrace	$716,974,500	$1,937,949,705	$450,853,904	$3,105,778,109	**23.09%**	62.40%	14.5%
Holmes	Bonifay	$24,831,706	$83,838,799	$14,870,639	$123,541,144	**20.10%**	67.86%	12.0%
Holmes	Esto	$2,021,581	$6,599,608	$925,138	$9,546,327	**21.18%**	69.13%	9.7%
Holmes	Noma	$746,035	$1,867,125	$327,399	$2,940,559	**25.37%**	63.50%	11.1%
Holmes	Ponce de Leon	$5,423,257	$13,347,477	$3,709,336	$22,480,070	**24.12%**	59.37%	16.5%
Holmes	Westville	$1,702,193	$2,816,405	$1,457,444	$5,976,042	**28.48%**	47.13%	24.4%
Indian River	Fellsmere	$30,755,662	$110,537,566	$26,586,819	$167,880,047	**18.32%**	65.84%	15.8%
Indian River	Indian River Shores	$2,785,783,324	$2,461,631,618	$18,585,443	$5,266,000,385	**52.90%**	46.75%	0.4%
Indian River	Orchid	$354,137,214	$264,153,583	$4,900,834	$623,191,631	**56.83%**	42.39%	0.8%
Indian River	Sebastian	$1,232,981,489	$954,960,519	$105,670,810	$2,293,612,818	**53.76%**	41.64%	4.6%
Indian River	Vero Beach	$1,667,416,401	$2,637,350,121	$254,405,257	$4,559,171,779	**36.57%**	57.85%	5.6%
Jackson	Alford	$3,804,268	$9,915,241	$1,417,329	$15,136,838	**25.13%**	65.50%	9.4%
Jackson	Bascom	$822,187	$1,604,997	$351,834	$2,779,018	**29.59%**	57.75%	12.7%
Jackson	Campbellton	$1,529,729	$8,187,042	$2,786,473	$12,503,244	**12.23%**	65.48%	22.3%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Jackson	Cottondale	$5,229,881	$14,114,308	$2,805,434	$22,149,623	**23.61%**	63.72%	12.7%
Jackson	Graceville	$8,846,976	$13,061,958	$3,076,055	$24,984,989	**35.41%**	52.28%	12.3%
Jackson	Grand Ridge	$19,145,418	$51,033,591	$40,312,931	$110,491,940	**17.33%**	46.19%	36.5%
Jackson	Greenwood	$5,677,921	$11,735,348	$1,594,722	$19,007,991	**29.87%**	61.74%	8.4%
Jackson	Jacob City	$1,310,993	$4,004,652	$544,995	$5,860,640	**22.37%**	68.33%	9.3%
Jackson	Malone	$6,046,871	$11,435,794	$1,794,628	$19,277,293	**31.37%**	59.32%	9.3%
Jackson	Marianna	$49,504,734	$211,075,636	$56,046,255	$316,626,625	**15.64%**	66.66%	17.7%
Jackson	Sneads	$12,751,527	$29,009,773	$5,869,484	$47,630,784	**26.77%**	60.91%	12.3%
Jefferson	Monticello	$46,310,742	$76,749,062	$24,644,208	$147,704,012	**31.35%**	51.96%	16.7%
Lafayette	Mayo	$6,197,250	$20,077,676	$3,518,935	$29,793,861	**20.80%**	67.39%	11.8%
Lake	Astatula	$47,753,882	$67,963,128	$23,496,835	$139,213,845	**34.30%**	48.82%	16.9%
Lake	Clermont	$2,315,957,595	$3,134,095,478	$205,873,434	$5,655,926,507	**40.95%**	55.41%	3.6%
Lake	Eustis	$588,403,158	$951,842,925	$117,466,439	$1,657,712,522	**35.49%**	57.42%	7.1%
Lake	Fruitland Park	$677,368,926	$408,253,138	$12,379,253	$1,098,001,317	**61.69%**	37.18%	1.1%
Lake	Groveland	$1,130,950,389	$1,043,320,273	$150,425,218	$2,324,695,880	**48.65%**	44.88%	6.5%
Lake	Howey-in-the-Hills	$115,807,186	$97,842,066	$7,466,369	$221,115,621	**52.37%**	44.25%	3.4%
Lake	Lady Lake	$454,327,670	$1,245,012,058	$96,222,925	$1,795,562,653	**25.30%**	69.34%	5.4%
Lake	Leesburg	$1,066,679,972	$2,208,298,970	$208,486,301	$3,483,465,243	**30.62%**	63.39%	6.0%
Lake	Mascotte	$208,161,632	$268,514,726	$13,060,346	$489,736,704	**42.50%**	54.83%	2.7%
Lake	Minneola	$830,398,899	$879,596,773	$41,436,840	$1,751,432,512	**47.41%**	50.22%	2.4%
Lake	Montverde	$120,211,180	$86,431,823	$2,886,315	$209,529,318	**57.37%**	41.25%	1.4%
Lake	Mount Dora	$868,549,636	$1,048,164,294	$68,140,539	$1,984,854,469	**43.76%**	52.81%	3.4%
Lake	Tavares	$588,006,302	$1,039,028,903	$84,572,943	$1,711,608,148	**34.35%**	60.70%	4.9%
Lake	Umatilla	$78,094,998	$179,950,861	$20,006,685	$278,052,544	**28.09%**	64.72%	7.2%
Lee	Bonita Springs	$6,928,895,155	$10,255,346,082	$449,752,573	$17,633,993,810	**39.29%**	58.16%	2.6%
Lee	Cape Coral	$11,800,707,778	$17,254,582,881	$573,769,635	$29,629,060,294	**39.83%**	58.24%	1.9%
Lee	Estero	$3,848,668,921	$5,438,709,964	$280,516,739	$9,567,895,624	**40.22%**	56.84%	2.9%
Lee	Fort Myers	$3,354,219,295	$8,505,379,490	$1,068,409,730	$12,928,008,515	**25.95%**	65.79%	8.3%
Lee	Fort Myers Beach	$721,172,711	$3,415,197,288	$33,113,302	$4,169,483,301	**17.30%**	81.91%	0.8%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Lee	Sanibel	$1,603,659,144	$3,009,563,877	$68,928,583	$4,682,151,604	**34.25%**	64.28%	1.5%
Leon	Tallahassee	$4,721,439,083	$11,193,877,800	$994,263,349	$16,909,580,232	**27.92%**	66.20%	5.9%
Levy	Bronson	$16,445,743	$30,609,068	$15,547,402	$62,602,213	**26.27%**	48.89%	24.8%
Levy	Cedar Key	$69,591,480	$185,106,557	$5,179,327	$259,877,364	**26.78%**	71.23%	2.0%
Levy	Chiefland	$17,135,741	$150,043,715	$21,783,836	$188,963,292	**9.07%**	79.40%	11.5%
Levy	Fanning Springs (part)	$9,316,678	$21,746,776	$921,171	$31,984,625	**29.13%**	67.99%	2.9%
Levy	Inglis	$29,794,943	$55,622,202	$13,938,633	$99,355,778	**29.99%**	55.98%	14.0%
Levy	Otter Creek	$845,223	$2,854,109	$5,459,137	$9,158,469	**9.23%**	31.16%	59.6%
Levy	Williston	$45,120,989	$107,784,814	$13,671,908	$166,577,711	**27.09%**	64.71%	8.2%
Levy	Yankeetown	$26,595,357	$62,309,115	$2,103,021	$91,007,493	**29.22%**	68.47%	2.3%
Liberty	Bristol	$10,214,351	$16,446,875	$4,440,262	$31,101,488	**32.84%**	52.88%	14.3%
Madison	Greenville	$2,741,530	$12,241,425	$926,164	$15,909,119	**17.23%**	76.95%	5.8%
Madison	Lee	$4,469,554	$6,347,886	$3,718,607	$14,536,047	**30.75%**	43.67%	25.6%
Madison	Madison	$21,779,005	$83,968,009	$12,349,354	$118,096,368	**18.44%**	71.10%	10.5%
Manatee	Anna Maria	$337,536,927	$1,988,150,925	$9,687,306	$2,335,375,158	**14.45%**	85.13%	0.4%
Manatee	Bradenton	$1,641,811,949	$4,295,719,377	$472,654,755	$6,410,186,081	**25.61%**	67.01%	7.4%
Manatee	Bradenton Beach	$98,302,534	$977,131,931	$12,853,216	$1,088,287,681	**9.03%**	89.79%	1.2%
Manatee	Holmes Beach	$792,806,327	$2,724,390,448	$25,413,675	$3,542,610,450	**22.38%**	76.90%	0.7%
Manatee	Longboat Key (part)	$796,337,406	$2,134,242,672	$21,058,156	$2,951,638,234	**26.98%**	72.31%	0.7%
Manatee	Palmetto	$561,237,655	$854,045,736	$78,624,082	$1,493,907,473	**37.57%**	57.17%	5.3%
Marion	Belleview	$105,898,896	$269,361,049	$33,384,281	$408,644,226	**25.91%**	65.92%	8.2%
Marion	Dunnellon	$46,004,438	$185,991,022	$30,918,016	$262,913,476	**17.50%**	70.74%	11.8%
Marion	McIntosh	$13,272,736	$16,317,731	$1,213,384	$30,803,851	**43.09%**	52.97%	3.9%
Marion	Ocala	$1,403,243,986	$5,388,672,196	$952,811,839	$7,744,728,021	**18.12%**	69.58%	12.3%
Marion	Reddick	$5,167,789	$12,496,251	$1,498,892	$19,162,932	**26.97%**	65.21%	7.8%
Martin	Indiantown	$37,881,541	$319,014,532	$2,116,765,091	$2,473,661,164	**1.53%**	12.90%	85.6%
Martin	Jupiter Island	$1,772,876,655	$1,882,266,807	$11,310,255	$3,666,453,717	**48.35%**	51.34%	0.3%
Martin	Ocean Breeze	$29,414,599	$56,349,880	$4,885,151	$90,649,630	**32.45%**	62.16%	5.4%
Martin	Sewall's Point	$657,245,351	$338,727,786	$6,481,136	$1,002,454,273	**65.56%**	33.79%	0.6%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Martin	Stuart	$698,053,353	$2,653,027,430	$216,694,344	$3,567,775,127	**19.57%**	74.36%	6.1%
Miami-Dade	Aventura	$3,149,800,986	$10,047,430,781	$361,651,342	$13,558,883,109	**23.23%**	74.10%	2.7%
Miami-Dade	Bal Harbour	$1,186,292,244	$5,654,917,919	$92,181,025	$6,933,391,188	**17.11%**	81.56%	1.3%
Miami-Dade	Bay Harbor Islands	$599,466,280	$1,473,637,619	$26,418,310	$2,099,522,209	**28.55%**	70.19%	1.3%
Miami-Dade	Biscayne Park	$225,164,982	$179,619,820	$5,978,426	$410,763,228	**54.82%**	43.73%	1.5%
Miami-Dade	Coral Gables	$10,387,335,312	$13,757,769,432	$448,709,601	$24,593,814,345	**42.24%**	55.94%	1.8%
Miami-Dade	Cutler Bay	$1,966,223,851	$1,921,479,501	$124,683,225	$4,012,386,577	**49.00%**	47.89%	3.1%
Miami-Dade	Doral	$3,185,290,467	$16,151,940,988	$862,713,558	$20,199,945,013	**15.77%**	79.96%	4.3%
Miami-Dade	El Portal	$146,890,178	$157,834,287	$4,393,330	$309,117,795	**47.52%**	51.06%	1.4%
Miami-Dade	Florida City	$238,727,240	$983,884,652	$99,755,396	$1,322,367,288	**18.05%**	74.40%	7.5%
Miami-Dade	Golden Beach	$792,453,511	$1,093,296,273	$4,078,164	$1,889,827,948	**41.93%**	57.85%	0.2%
Miami-Dade	Hialeah	$4,080,818,005	$14,930,769,530	$1,080,547,091	$20,092,134,626	**20.31%**	74.31%	5.4%
Miami-Dade	Hialeah Gardens	$456,302,473	$1,718,223,383	$145,651,994	$2,320,177,850	**19.67%**	74.06%	6.3%
Miami-Dade	Homestead	$1,734,442,033	$3,633,193,681	$229,621,832	$5,597,257,546	**30.99%**	64.91%	4.1%
Miami-Dade	Indian Creek	$220,263,764	$778,748,177	$5,483,442	$1,004,495,383	**21.93%**	77.53%	0.5%
Miami-Dade	Key Biscayne	$3,593,304,487	$7,367,019,797	$54,827,251	$11,015,151,535	**32.62%**	66.88%	0.5%
Miami-Dade	Medley	$3,850,823	$5,008,406,911	$775,017,007	$5,787,274,741	**0.07%**	86.54%	13.4%
Miami-Dade	Miami	$15,184,315,730	$76,058,673,715	$3,272,408,151	$94,515,397,596	**16.07%**	80.47%	3.5%
Miami-Dade	Miami Beach	$11,931,944,356	$43,772,998,379	$855,668,691	$56,560,611,426	**21.10%**	77.39%	1.5%
Miami-Dade	Miami Gardens	$2,272,483,995	$5,815,562,310	$663,205,272	$8,751,251,577	**25.97%**	66.45%	7.6%
Miami-Dade	Miami Lakes	$1,883,701,244	$2,733,987,524	$256,334,610	$4,874,023,378	**38.65%**	56.09%	5.3%
Miami-Dade	Miami Shores	$1,203,367,922	$745,050,346	$28,842,480	$1,977,260,748	**60.86%**	37.68%	1.5%
Miami-Dade	Miami Springs	$744,979,353	$880,974,344	$100,695,242	$1,726,648,939	**43.15%**	51.02%	5.8%
Miami-Dade	North Bay Village	$342,479,967	$1,244,405,560	$36,131,235	$1,623,016,762	**21.10%**	76.67%	2.2%
Miami-Dade	North Miami	$1,536,680,390	$4,137,870,453	$200,796,644	$5,875,347,487	**26.15%**	70.43%	3.4%
Miami-Dade	North Miami Beach	$1,107,649,636	$4,054,984,418	$202,334,822	$5,364,968,876	**20.65%**	75.58%	3.8%
Miami-Dade	Opa-locka	$128,773,046	$1,475,608,187	$266,195,102	$1,870,576,335	**6.88%**	78.89%	14.2%
Miami-Dade	Palmetto Bay	$2,588,140,290	$1,852,318,462	$94,338,445	$4,534,797,197	**57.07%**	40.85%	2.1%
Miami-Dade	Pinecrest	$4,562,885,119	$2,953,057,721	$63,551,695	$7,579,494,535	**60.20%**	38.96%	0.8%

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Miami-Dade	South Miami	$1,024,850,947	$1,720,391,932	$94,685,018	$2,839,927,897	**36.09%**	60.58%	3.3%
Miami-Dade	Sunny Isles Beach	$2,706,321,766	$15,049,191,609	$115,684,345	$17,871,197,720	**15.14%**	84.21%	0.6%
Miami-Dade	Surfside	$1,094,112,336	$3,625,899,370	$39,730,639	$4,759,742,345	**22.99%**	76.18%	0.8%
Miami-Dade	Sweetwater	$202,962,110	$3,540,196,651	$395,931,535	$4,139,090,296	**4.90%**	85.53%	9.6%
Miami-Dade	Virginia Gardens	$70,511,492	$198,400,521	$139,077,906	$407,989,919	**17.28%**	48.63%	34.1%
Miami-Dade	West Miami	$223,851,522	$708,422,641	$29,722,425	$961,996,588	**23.27%**	73.64%	3.1%
Monroe	Islamorada	$1,250,654,778	$5,162,553,116	$73,949,797	$6,487,157,691	**19.28%**	79.58%	1.1%
Monroe	Key Colony Beach	$192,030,670	$1,006,867,294	$9,946,204	$1,208,844,168	**15.89%**	83.29%	0.8%
Monroe	Key West	$2,009,072,218	$8,977,925,578	$253,166,852	$11,240,164,648	**17.87%**	79.87%	2.3%
Monroe	Layton	$22,166,794	$84,184,185	$1,188,990	$107,539,969	**20.61%**	78.28%	1.1%
Monroe	Marathon	$756,834,416	$3,801,454,578	$132,810,291	$4,691,099,285	**16.13%**	81.04%	2.8%
Nassau	Callahan	$35,882,336	$130,026,929	$22,328,308	$188,237,573	**19.06%**	69.08%	11.9%
Nassau	Fernandina Beach	$1,415,663,759	$2,316,905,075	$618,668,489	$4,351,237,323	**32.53%**	53.25%	14.2%
Nassau	Hilliard	$52,266,300	$109,128,492	$13,918,401	$175,313,193	**29.81%**	62.25%	7.9%
Okaloosa	Cinco Bayou	$17,675,441	$57,772,511	$3,348,757	$78,796,709	**22.43%**	73.32%	4.2%
Okaloosa	Crestview	$621,187,537	$1,255,628,117	$105,255,272	$1,982,070,926	**31.34%**	63.35%	5.3%
Okaloosa	Destin	$1,207,137,477	$7,382,881,744	$136,598,966	$8,726,618,187	**13.83%**	84.60%	1.6%
Okaloosa	Fort Walton Beach	$693,218,630	$1,339,904,011	$156,625,541	$2,189,748,182	**31.66%**	61.19%	7.2%
Okaloosa	Laurel Hill	$8,080,410	$18,404,920	$2,631,389	$29,116,719	**27.75%**	63.21%	9.0%
Okaloosa	Mary Esther	$155,364,717	$285,507,853	$21,421,416	$462,293,986	**33.61%**	61.76%	4.6%
Okaloosa	Niceville	$926,432,621	$761,376,956	$75,975,131	$1,763,784,708	**52.53%**	43.17%	4.3%
Okaloosa	Shalimar	$59,983,755	$66,335,091	$8,952,333	$135,271,179	**44.34%**	49.04%	6.6%
Okaloosa	Valparaiso	$196,496,886	$209,531,418	$13,219,199	$419,247,503	**46.87%**	49.98%	3.2%
Okeechobee	Okeechobee	$80,865,397	$324,561,254	$85,482,121	$490,908,772	**16.47%**	66.11%	17.4%
Orange	Apopka	$2,395,053,204	$4,364,932,025	$397,754,343	$7,157,739,572	**33.46%**	60.98%	5.6%
Orange	Bay Lake	$0	$9,793,816,921	$2,390,841,570	$12,184,658,491	**0.00%**	80.38%	19.6%
Orange	Belle Isle	$684,686,211	$377,959,572	$37,821,983	$1,100,467,766	**62.22%**	34.35%	3.4%
Orange	Eatonville	$13,175,544	$270,146,999	$97,573,809	$380,896,352	**3.46%**	70.92%	25.6%
Orange	Edgewood	$238,775,152	$259,591,670	$38,078,224	$536,445,046	**44.51%**	48.39%	7.1%

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Orange	Lake Buena Vista	$0	$2,942,695,580	$304,098,053	$3,246,793,633	**0.00%**	90.63%	9.4%
Orange	Maitland	$1,247,343,440	$2,540,126,443	$216,383,546	$4,003,853,429	**31.15%**	63.44%	5.4%
Orange	Oakland	$418,264,425	$370,461,793	$53,369,523	$842,095,741	**49.67%**	43.99%	6.3%
Orange	Ocoee	$1,935,558,926	$2,813,723,911	$250,006,039	$4,999,288,876	**38.72%**	56.28%	5.0%
Orange	Orlando	$9,657,805,421	$39,128,035,862	$3,956,673,690	$52,742,514,973	**18.31%**	74.19%	7.5%
Orange	Windermere	$699,178,833	$302,449,668	$21,862,551	$1,023,491,052	**68.31%**	29.55%	2.1%
Orange	Winter Garden	$2,766,234,554	$3,028,265,990	$265,896,594	$6,060,397,138	**45.64%**	49.97%	4.4%
Orange	Winter Park	$4,212,381,953	$4,686,309,486	$210,548,013	$9,109,239,452	**46.24%**	51.45%	2.3%
Osceola	Kissimmee	$1,315,009,215	$4,783,636,125	$225,175,271	$6,323,820,611	**20.79%**	75.64%	3.6%
Osceola	St. Cloud	$2,448,650,905	$2,634,772,167	$104,359,593	$5,187,782,665	**47.20%**	50.79%	2.0%
Palm Beach	Atlantis	$244,042,464	$450,187,818	$59,993,359	$754,223,641	**32.36%**	59.69%	8.0%
Palm Beach	Belle Glade	$90,630,082	$428,484,437	$94,527,869	$613,642,388	**14.77%**	69.83%	15.4%
Palm Beach	Boca Raton	$14,282,729,006	$22,254,992,649	$934,782,349	$37,472,504,004	**38.12%**	59.39%	2.5%
Palm Beach	Boynton Beach	$2,599,437,439	$6,888,084,266	$353,835,531	$9,841,357,236	**26.41%**	69.99%	3.6%
Palm Beach	Briny Breezes	$17,307,341	$75,721,283	$1,951,624	$94,980,248	**18.22%**	79.72%	2.1%
Palm Beach	Cloud Lake	$4,383,692	$9,097,371	$405,530	$13,886,593	**31.57%**	65.51%	2.9%
Palm Beach	Delray Beach	$5,763,048,563	$11,825,621,816	$440,324,902	$18,028,995,281	**31.97%**	65.59%	2.4%
Palm Beach	Glen Ridge	$14,330,279	$18,399,168	$697,050	$33,426,497	**42.87%**	55.04%	2.1%
Palm Beach	Golf	$150,106,479	$209,134,463	$9,323,064	$368,564,006	**40.73%**	56.74%	2.5%
Palm Beach	Greenacres	$1,046,545,168	$1,956,428,804	$114,551,825	$3,117,525,797	**33.57%**	62.76%	3.7%
Palm Beach	Gulf Stream	$1,016,354,364	$715,445,020	$7,058,677	$1,738,858,061	**58.45%**	41.14%	0.4%
Palm Beach	Haverhill	$82,134,373	$79,956,440	$4,382,386	$166,473,199	**49.34%**	48.03%	2.6%
Palm Beach	Highland Beach	$1,592,763,277	$2,233,001,809	$18,921,609	$3,844,686,695	**41.43%**	58.08%	0.5%
Palm Beach	Hypoluxo	$173,640,703	$372,612,877	$12,319,543	$558,573,123	**31.09%**	66.71%	2.2%
Palm Beach	Juno Beach	$699,156,272	$1,382,415,179	$334,464,245	$2,416,035,696	**28.94%**	57.22%	13.8%
Palm Beach	Jupiter	$7,744,728,578	$9,067,264,505	$376,787,551	$17,188,780,634	**45.06%**	52.75%	2.2%
Palm Beach	Jupiter Inlet Colony	$345,838,212	$294,413,877	$1,005,279	$641,257,368	**53.93%**	45.91%	0.2%
Palm Beach	Lake Clarke Shores	$255,683,444	$136,023,367	$9,784,684	$401,491,495	**63.68%**	33.88%	2.4%
Palm Beach	Lake Park	$160,933,633	$962,187,187	$69,262,927	$1,192,383,747	**13.50%**	80.69%	5.8%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Palm Beach	Lake Worth Beach	$851,810,299	$2,446,917,134	$91,398,051	$3,390,125,484	**25.13%**	72.18%	2.7%
Palm Beach	Lantana	$547,986,275	$1,330,726,688	$69,860,199	$1,948,573,162	**28.12%**	68.29%	3.6%
Palm Beach	Loxahatchee Groves	$207,606,402	$362,266,906	$39,987,010	$609,860,318	**34.04%**	59.40%	6.6%
Palm Beach	Manalapan	$767,119,577	$1,468,281,522	$14,900,959	$2,250,302,058	**34.09%**	65.25%	0.7%
Palm Beach	Mangonia Park	$37,073,930	$312,643,871	$34,586,464	$384,304,265	**9.65%**	81.35%	9.0%
Palm Beach	North Palm Beach	$1,762,823,675	$1,807,161,299	$58,367,483	$3,628,352,457	**48.58%**	49.81%	1.6%
Palm Beach	Ocean Ridge	$774,241,996	$895,326,793	$7,845,575	$1,677,414,364	**46.16%**	53.38%	0.5%
Palm Beach	Pahokee	$26,714,541	$78,486,521	$20,772,975	$125,974,037	**21.21%**	62.30%	16.5%
Palm Beach	Palm Beach	$13,309,237,336	$18,632,940,037	$179,989,799	$32,122,167,172	**41.43%**	58.01%	0.6%
Palm Beach	Palm Beach Gardens	$8,427,521,295	$10,824,046,430	$563,421,741	$19,814,989,466	**42.53%**	54.63%	2.8%
Palm Beach	Palm Beach Shores	$169,163,088	$662,403,239	$9,354,934	$840,921,261	**20.12%**	78.77%	1.1%
Palm Beach	Palm Springs	$403,289,023	$1,580,937,152	$86,636,056	$2,070,862,231	**19.47%**	76.34%	4.2%
Palm Beach	Riviera Beach	$1,757,566,248	$5,584,643,281	$1,446,819,106	$8,789,028,635	**20.00%**	63.54%	16.5%
Palm Beach	Royal Palm Beach	$1,876,359,891	$2,505,139,072	$154,909,714	$4,536,408,677	**41.36%**	55.22%	3.4%
Palm Beach	South Bay	$15,193,903	$75,401,004	$20,603,010	$111,197,917	**13.66%**	67.81%	18.5%
Palm Beach	South Palm Beach	$158,555,720	$475,794,165	$7,719,413	$642,069,298	**24.69%**	74.10%	1.2%
Palm Beach	Tequesta	$976,310,799	$1,036,933,875	$32,156,444	$2,045,401,118	**47.73%**	50.70%	1.6%
Palm Beach	Wellington	$4,903,318,308	$7,226,428,984	$272,654,155	$12,402,401,447	**39.54%**	58.27%	2.2%
Palm Beach	West Palm Beach	$5,788,786,457	$16,479,152,548	$1,036,469,552	$23,304,408,557	**24.84%**	70.71%	4.4%
Palm Beach	Westlake	$675,537,136	$498,391,320	$47,012,768	$1,220,941,224	**55.33%**	40.82%	3.9%
Pasco	Dade City	$198,097,734	$429,767,813	$51,403,204	$679,268,751	**29.16%**	63.27%	7.6%
Pasco	New Port Richey	$281,334,941	$723,892,568	$54,579,648	$1,059,807,157	**26.55%**	68.30%	5.1%
Pasco	Port Richey	$134,268,149	$288,106,929	$22,570,289	$444,945,367	**30.18%**	64.75%	5.1%
Pasco	San Antonio	$71,002,369	$51,733,329	$8,413,834	$131,149,532	**54.14%**	39.45%	6.4%
Pasco	St. Leo	$5,266,615	$4,387,826	$2,205,046	$11,859,487	**44.41%**	37.00%	18.6%
Pasco	Zephyrhills	$535,016,593	$866,918,863	$167,773,134	$1,569,708,590	**34.08%**	55.23%	10.7%
Pinellas	Belleair	$827,186,689	$448,898,333	$14,114,740	$1,290,199,762	**64.11%**	34.79%	1.1%
Pinellas	Belleair Beach	$412,138,955	$478,256,378	$2,281,970	$892,677,303	**46.17%**	53.58%	0.3%
Pinellas	Belleair Bluffs	$143,541,903	$233,091,287	$9,087,465	$385,720,655	**37.21%**	60.43%	2.4%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Pinellas	Belleair Shore	$108,142,895	$143,351,818	$226,749	$251,721,462	**42.96%**	56.95%	0.1%
Pinellas	Clearwater	$5,103,957,445	$12,723,265,394	$620,288,240	$18,447,511,079	**27.67%**	68.97%	3.4%
Pinellas	Dunedin	$2,019,312,259	$2,467,593,534	$119,098,883	$4,606,004,676	**43.84%**	53.57%	2.6%
Pinellas	Gulfport	$835,650,649	$867,526,207	$16,564,082	$1,719,740,938	**48.59%**	50.45%	1.0%
Pinellas	Indian Rocks Beach	$521,766,264	$1,578,124,588	$9,824,204	$2,109,715,056	**24.73%**	74.80%	0.5%
Pinellas	Indian Shores	$263,930,022	$1,352,218,009	$7,749,947	$1,623,897,978	**16.25%**	83.27%	0.5%
Pinellas	Kenneth City	$106,733,980	$184,785,370	$13,329,419	$304,848,769	**35.01%**	60.62%	4.4%
Pinellas	Largo	$1,896,095,309	$5,668,617,937	$472,818,948	$8,037,532,194	**23.59%**	70.53%	5.9%
Pinellas	Madeira Beach	$528,433,905	$1,659,349,880	$20,304,917	$2,208,088,702	**23.93%**	75.15%	0.9%
Pinellas	North Redington Beach	$254,802,336	$592,917,676	$4,670,497	$852,390,509	**29.89%**	69.56%	0.5%
Pinellas	Oldsmar	$648,160,851	$1,202,480,167	$239,432,092	$2,090,073,110	**31.01%**	57.53%	11.5%
Pinellas	Pinellas Park	$1,268,065,171	$4,355,003,502	$620,606,722	$6,243,675,395	**20.31%**	69.75%	9.9%
Pinellas	Redington Beach	$335,537,477	$445,032,333	$41,407,009	$821,976,819	**40.82%**	54.14%	5.0%
Pinellas	Redington Shores	$384,738,563	$771,509,767	$12,693,052	$1,168,941,382	**32.91%**	66.00%	1.1%
Pinellas	Safety Harbor	$1,166,043,521	$842,072,303	$58,331,852	$2,066,447,676	**56.43%**	40.75%	2.8%
Pinellas	Seminole	$913,974,661	$1,284,729,885	$79,974,575	$2,278,679,121	**40.11%**	56.38%	3.5%
Pinellas	South Pasadena	$285,839,198	$647,066,033	$43,349,954	$976,255,185	**29.28%**	66.28%	4.4%
Pinellas	St. Pete Beach	$1,515,698,759	$3,580,291,908	$109,850,419	$5,205,841,086	**29.12%**	68.77%	2.1%
Pinellas	St. Petersburg	$13,314,250,773	$20,421,856,485	$1,374,610,297	$35,110,717,555	**37.92%**	58.16%	3.9%
Pinellas	Tarpon Springs	$1,330,321,327	$1,580,653,829	$108,067,514	$3,019,042,670	**44.06%**	52.36%	3.6%
Pinellas	Treasure Island	$1,022,427,513	$2,099,796,145	$22,315,022	$3,144,538,680	**32.51%**	66.78%	0.7%
Polk	Auburndale	$644,231,363	$1,316,248,316	$613,016,291	$2,573,495,970	**25.03%**	51.15%	23.8%
Polk	Bartow	$396,756,222	$711,440,559	$159,842,467	$1,268,039,248	**31.29%**	56.11%	12.6%
Polk	Davenport	$572,779,341	$631,065,563	$27,072,403	$1,230,917,307	**46.53%**	51.27%	2.2%
Polk	Dundee	$122,621,600	$216,563,668	$39,972,056	$379,157,324	**32.34%**	57.12%	10.5%
Polk	Eagle Lake	$117,121,496	$223,421,251	$18,426,832	$358,969,579	**32.63%**	62.24%	5.1%
Polk	Fort Meade	$58,785,501	$119,375,858	$21,213,930	$199,375,289	**29.48%**	59.87%	10.6%
Polk	Frostproof	$45,537,353	$154,224,120	$25,883,959	$225,645,432	**20.18%**	68.35%	11.5%
Polk	Haines City	$1,060,478,708	$2,073,565,720	$208,552,318	$3,342,596,746	**31.73%**	62.03%	6.2%

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Polk	Highland Park	$9,204,296	$8,714,900	$558,112	$18,477,308	**49.81%**	47.17%	3.0%
Polk	Hillcrest Heights	$8,975,301	$11,161,293	$526,672	$20,663,266	**43.44%**	54.02%	2.5%
Polk	Lake Alfred	$184,919,283	$310,972,073	$68,159,832	$564,051,188	**32.78%**	55.13%	12.1%
Polk	Lake Hamilton	$47,444,551	$125,587,730	$10,734,544	$183,766,825	**25.82%**	68.34%	5.8%
Polk	Lake Wales	$332,795,370	$780,987,107	$119,770,100	$1,233,552,577	**26.98%**	63.31%	9.7%
Polk	Lakeland	$2,436,857,489	$7,481,737,258	$1,234,065,229	$11,152,659,976	**21.85%**	67.08%	11.1%
Polk	Mulberry	$49,540,444	$264,972,450	$87,468,983	$401,981,877	**12.32%**	65.92%	21.8%
Polk	Polk City	$98,041,377	$162,413,986	$18,755,323	$279,210,686	**35.11%**	58.17%	6.7%
Polk	Winter Haven	$1,496,130,330	$2,772,950,410	$386,926,394	$4,656,007,134	**32.13%**	59.56%	8.3%
Putnam	Crescent City	$25,425,788	$72,244,009	$25,941,021	$123,610,818	**20.57%**	58.44%	21.0%
Putnam	Interlachen	$16,469,688	$52,488,376	$18,148,865	$87,106,929	**18.91%**	60.26%	20.8%
Putnam	Palatka	$90,868,258	$495,811,451	$122,711,319	$709,391,028	**12.81%**	69.89%	17.3%
Putnam	Pomona Park	$12,992,096	$31,857,870	$7,110,813	$51,960,779	**25.00%**	61.31%	13.7%
Putnam	Welaka	$28,636,040	$66,524,527	$10,972,010	$106,132,577	**26.98%**	62.68%	10.3%
Saint Johns	Marineland (part)	$191,618,793	$621,135,179	$22,019,321	$834,773,293	**22.95%**	74.41%	2.6%
Saint Johns	St. Augustine	$819,538,106	$2,140,493,137	$165,167,379	$3,125,198,622	**26.22%**	68.49%	5.3%
Saint Johns	St. Augustine Beach	$848,679,210	$1,213,759,284	$49,387,540	$2,111,826,034	**40.19%**	57.47%	2.3%
Saint Lucie	Fort Pierce	$890,078,274	$3,217,168,895	$308,246,725	$4,415,493,894	**20.16%**	72.86%	7.0%
Saint Lucie	Port St. Lucie	$11,549,490,318	$10,088,038,001	$835,949,423	$22,473,477,742	**51.39%**	44.89%	3.7%
Saint Lucie	St. Lucie Village	$45,685,037	$60,956,605	$2,646,524	$109,288,166	**41.80%**	55.78%	2.4%
Santa Rosa	Gulf Breeze	$667,884,502	$549,016,601	$50,691,223	$1,267,592,326	**52.69%**	43.31%	4.0%
Santa Rosa	Jay	$3,899,893	$41,028,683	$11,450,728	$56,379,304	**6.92%**	72.77%	20.3%
Santa Rosa	Milton	$144,532,440	$377,488,105	$66,526,238	$588,546,783	**24.56%**	64.14%	11.3%
Sarasota	Longboat Key (part)	$2,230,614,340	$3,951,635,217	$47,001,887	$6,229,251,444	**35.81%**	63.44%	0.8%
Sarasota	North Port	$4,390,065,144	$5,285,647,329	$270,399,711	$9,946,112,184	**44.14%**	53.14%	2.7%
Sarasota	Sarasota	$6,830,091,965	$11,053,488,455	$434,195,726	$18,317,776,146	**37.29%**	60.34%	2.4%
Sarasota	Venice	$2,562,993,581	$4,494,174,950	$285,076,693	$7,342,245,224	**34.91%**	61.21%	3.9%
Seminole	Altamonte Springs	$913,122,231	$3,823,404,439	$280,287,967	$5,016,814,637	**18.20%**	76.21%	5.6%
Seminole	Casselberry	$648,675,454	$1,755,421,135	$112,230,305	$2,516,326,894	**25.78%**	69.76%	4.5%

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Seminole	Lake Mary	$1,052,476,341	$2,335,034,268	$262,922,890	$3,650,433,499	**28.83%**	63.97%	7.2%
Seminole	Longwood	$528,071,435	$1,337,812,079	$116,127,652	$1,982,011,166	**26.64%**	67.50%	5.9%
Seminole	Oviedo	$2,135,259,805	$1,915,259,217	$138,896,266	$4,189,415,288	**50.97%**	45.72%	3.3%
Seminole	Sanford	$1,230,727,378	$4,213,866,500	$567,965,625	$6,012,559,503	**20.47%**	70.08%	9.4%
Seminole	Winter Springs	$2,029,740,423	$1,563,542,308	$93,815,086	$3,687,097,817	**55.05%**	42.41%	2.5%
Sumter	Bushnell	$29,197,074	$197,737,870	$36,391,671	$263,326,615	**11.09%**	75.09%	13.8%
Sumter	Center Hill	$6,917,120	$34,262,865	$8,657,017	$49,837,002	**13.88%**	68.75%	17.4%
Sumter	Coleman	$6,349,144	$23,827,480	$5,538,204	$35,714,828	**17.78%**	66.72%	15.5%
Sumter	Webster	$8,155,858	$33,854,520	$3,923,376	$45,933,754	**17.76%**	73.70%	8.5%
Sumter	Wildwood	$3,241,124,354	$3,218,415,651	$428,378,847	$6,887,918,852	**47.06%**	46.73%	6.2%
Suwannee	Branford	$5,183,351	$26,330,029	$4,818,486	$36,331,866	**14.27%**	72.47%	13.3%
Suwannee	Live Oak	$44,546,502	$202,859,327	$98,225,848	$345,631,677	**12.89%**	58.69%	28.4%
Taylor	Perry	$72,821,148	$169,711,543	$83,481,349	$326,014,040	**22.34%**	52.06%	25.6%
Union	Lake Butler	$11,273,966	$26,333,648	$11,981,148	$49,588,762	**22.73%**	53.10%	24.2%
Union	Raiford	$1,342,806	$2,287,165	$1,634,615	$5,264,586	**25.51%**	43.44%	31.0%
Union	Worthington Springs	$2,935,096	$5,202,265	$3,077,209	$11,214,570	**26.17%**	46.39%	27.4%
Volusia	Daytona Beach	$2,010,530,549	$6,688,970,893	$826,161,189	$9,525,662,631	**21.11%**	70.22%	8.7%
Volusia	Daytona Beach Shores	$463,083,858	$1,718,660,123	$40,542,788	$2,222,286,769	**20.84%**	77.34%	1.8%
Volusia	DeBary	$1,153,270,083	$838,702,768	$1,155,270,543	$3,147,243,394	**36.64%**	26.65%	36.7%
Volusia	DeLand	$1,438,423,806	$1,804,424,987	$242,840,469	$3,485,689,262	**41.27%**	51.77%	7.0%
Volusia	Deltona	$2,413,155,758	$2,493,088,424	$193,538,733	$5,099,782,915	**47.32%**	48.89%	3.8%
Volusia	Edgewater	$769,774,577	$1,042,273,316	$144,742,897	$1,956,790,790	**39.34%**	53.26%	7.4%
Volusia	Flagler Beach (part)	$3,248,189	$10,523,743	$0	$13,771,932	**23.59%**	76.41%	0.0%
Volusia	Holly Hill	$197,095,881	$709,435,215	$87,815,233	$994,346,329	**19.82%**	71.35%	8.8%
Volusia	Lake Helen	$101,998,279	$85,074,421	$6,809,646	$193,882,346	**52.61%**	43.88%	3.5%
Volusia	New Smyrna Beach	$2,597,022,932	$4,259,639,648	$126,362,519	$6,983,025,099	**37.19%**	61.00%	1.8%
Volusia	Oak Hill	$88,167,284	$111,069,668	$8,727,370	$207,964,322	**42.40%**	53.41%	4.2%
Volusia	Orange City	$254,941,394	$926,780,031	$93,954,296	$1,275,675,721	**19.98%**	72.65%	7.4%
Volusia	Ormond Beach	$2,305,831,604	$2,853,332,442	$300,760,068	$5,459,924,114	**42.23%**	52.26%	5.5%

City-by-City Data on Taxable Values - *continued*

County	Municipality	Homestead Taxable Value	Non-Homestead Taxable Value	Tangible Personal Property (TPP) Taxable Value	Total Taxable Value (TV)	Percent Homestead of Total TV	Percent Non-Homestead of Total TV	Percent TPP of Total TV
Volusia	Pierson	$26,791,687	$52,811,377	$9,230,885	$88,833,949	**30.16%**	59.45%	10.4%
Volusia	Ponce Inlet	$501,073,623	$804,648,823	$18,548,931	$1,324,271,377	**37.84%**	60.76%	1.4%
Volusia	Port Orange	$2,228,150,428	$2,904,940,668	$302,243,380	$5,435,334,476	**40.99%**	53.45%	5.6%
Volusia	South Daytona	$321,164,167	$618,439,893	$64,461,682	$1,004,065,742	**31.99%**	61.59%	6.4%
Wakulla	Sopchoppy	$6,160,358	$11,491,900	$2,059,643	$19,711,901	**31.25%**	58.30%	10.4%
Wakulla	St. Marks	$9,756,718	$24,947,657	$5,837,144	$40,541,519	**24.07%**	61.54%	14.4%
Walton	DeFuniak Springs	$78,137,674	$299,009,818	$60,517,207	$437,664,699	**17.85%**	68.32%	13.8%
Walton	Freeport	$514,823,452	$715,908,583	$55,086,157	$1,285,818,192	**40.04%**	55.68%	4.3%
Washington	Caryville	$721,925	$4,511,577	$623,872	$5,857,374	**12.33%**	77.02%	10.7%
Washington	Chipley	$32,028,031	$121,885,171	$37,558,829	$191,472,031	**16.73%**	63.66%	19.6%
Washington	Ebro	$1,820,745	$13,105,663	$9,267,828	$24,194,236	**7.53%**	54.17%	38.3%
Washington	Vernon	$6,332,225	$15,665,177	$6,772,894	$28,770,296	**22.01%**	54.45%	23.5%
Washington	Wausau	$1,454,122	$5,996,559	$837,929	$8,288,610	**17.54%**	72.35%	10.1%

Source: Florida Department of Revenue's 2024 tax rolls



Local Business Tax Repeal/Reform

Local Business Taxes

Draft Priority or Policy Statement:

The Florida League of Cities SUPPORTS legislation that maintains the Local Business Tax (LBT) system. Any capping of revenues or additional limitation on fees within the current Local Business Tax structure will unfairly shift the tax burden for various regulatory programs which benefit the State of Florida and municipalities away from the business community to be subsidized by homeowners and renters.

Background:

The Florida League of Cities faced HB 103 by Representative Botana (Bonita Springs) and SB 122 (Truenow) during the 2026 Legislative Session. As originally proposed, HB 103 would have eliminated the Local Business Tax levy from the Florida Statutes. The major areas of concern by the bill sponsor were the uses for the revenues generated by the Local Business Tax and its benefits to the business community, and the outdated language of Florida Statue Chapter 205 pertaining to the “privilege” to do business within the boundaries of a municipality or county.

During the 2025 Legislative Session, HB 503 (Botana) and SB 1196 (Truenow) were filed to further the attempts to reform Local Business Taxes. These bills picked up the 2024 theme of instituting revenue caps and a call for the reduction of fees by local governments year over year.

Of note, is LBT is one of the four Constitutionally authorized levies for municipalities along with Property Taxes (Ad Valorem), Communications Services Tax, and Municipal Utilities Services Tax.

A bill to be entitled

An act relating to local business taxes; repealing chapter 205, F.S., relating to local business taxes; creating s. 218.150, F.S.; authorizing certain local governments to continue to impose a business tax under specified conditions; authorizing certain municipalities to revise the definition of "merchant" in a specified manner; prohibiting such municipalities from revising a specified tax rate; authorizing certain counties to repeal a local business tax in a specified manner; providing a directive to the Division of Law Revision; amending ss. 125.01047, 166.04465, 202.24, 213.0535, 213.055, 213.756, 330.41, 337.401, 376.84, 379.3761, 482.071, 482.242, 489.127, 489.128, 489.131, 489.532, 489.537, 500.12, 500.511, 501.015, 501.016, 501.160, 507.13, 539.001, 559.904, 559.928, 559.9281, 559.935, 559.939, 559.955, and 616.12, F.S.; conforming provisions and cross-references to changes made by the act ; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Chapter 205, Florida Statutes, consisting of ss. 205.013, 205.022, 205.023, 205.0315, 205.032, 205.033,

205.042, 205.043, 205.044, 205.045, 205.053, 205.0532, 205.0535, 205.0536, 205.0537, 205.054, 205.055, 205.063, 205.064, 205.065, 205.066, 205.067, 205.162, 205.191, 205.192, 205.193, 205.194, 205.196, 205.1965, 205.1967, 205.1969, 205.1971, 205.1973, and 205.1975, Florida Statutes, is repealed.

Section 2. Section 218.150, Florida Statutes, is created to read:

218.150 Certain local business taxes may continue.—Notwithstanding the repeal of chapter 205 by this act:

(1) A municipality that imposes a business tax on merchants which is measured by gross receipts from the sale of merchandise or services, or both, may continue to impose such tax and may, by ordinance, revise the definition of the term "merchant." However, the municipality may not revise the rate of the tax measured by gross sales.

(2)(a) A county that levied an additional business tax pursuant to former s. 205.033(6) on January 1, 2026, may continue to levy such additional business tax in accordance with the exemptions, categories, rates, and other provisions of former chapter 205 as in effect on January 1, 2026.

(b) Proceeds from such additional business tax must continue to be placed in a separate interest-bearing account and distributed, plus interest, each fiscal year to the organization or agency designated by the governing body of the county, as of January 1, 2026, to oversee and implement a comprehensive

economic development strategy through advertising, promotional activities, and other sales and marketing techniques.

(c) The county may repeal such additional business tax by ordinance enacted by the governing board of the county at any time. However, once repealed, the authority to levy such additional business tax under this subsection expires.

Section 3. The Division of Law Revision is directed to replace the phrase "this act" in newly created s. 218.150, Florida Statutes, with the assigned chapter number of this act.

Section 4. Subsection (2), paragraph (b) of subsection (3), and paragraph (b) of subsection (4) of section 125.01047, Florida Statutes, are amended to read:

125.01047 Rules and ordinances relating to towing services.—

(2) The prohibition set forth in subsection (1) does not affect a county's authority to÷

~~(a) Levy a reasonable business tax under s. 205.0315, s. 205.033, or s. 205.0535.~~

~~(b)~~ impose and collect a reasonable administrative fee or charge on the registered owner or other legally authorized person in control of a vehicle or vessel, not to exceed 25 percent of the maximum towing rate, to cover the cost of enforcement, including parking enforcement, by the county when the vehicle or vessel is towed from public property. An authorized wrecker operator or towing business may impose and

collect the administrative fee or charge on behalf of the county and shall remit such fee or charge to the county only after it is collected.

(3)

(b) A charter county may impose and collect an administrative fee or charge as provided in subsection (2) ~~paragraph (2)(b)~~ but may not impose such fee or charge on a towing business or an authorized wrecker operator. If the charter county imposes such administrative fee or charge, the charter county may authorize a towing business or authorized wrecker operator to impose and collect such fee or charge on behalf of the county, and the towing business or authorized wrecker operator shall remit such fee or charge to the charter county only after it is collected.

(4)

(b) A charter county may impose and collect an administrative fee or charge as provided in subsection (2) ~~paragraph (2)(b)~~; however, it may not impose that fee or charge upon a towing business or an authorized wrecker operator. If such charter county imposes such administrative fee or charge, such fee or charge must be imposed on the registered owner or other legally authorized person in control of a vehicle or vessel. The fee or charge may not exceed 25 percent of the maximum towing rate to cover the cost of enforcement, including parking enforcement, by the charter county when the vehicle or

vessel is towed from public property. The charter county may authorize an authorized wrecker operator or towing business to impose and collect the administrative fee or charge on behalf of the charter county, and the authorized wrecker operator or towing business shall remit such fee or charge to the charter county only after it is collected.

Section 5. Subsection (2) of section 166.04465, Florida Statutes, is amended to read:

166.04465 Rules and ordinances relating to towing services.—

(2) The prohibition set forth in subsection (1) does not affect a municipality's authority to~~:~~

~~(a) Levy a reasonable business tax under s. 205.0315, s. 205.043, or s. 205.0535.~~

~~(b)~~ impose and collect a reasonable administrative fee or charge on the registered owner or other legally authorized person in control of a vehicle or vessel, not to exceed 25 percent of the maximum towing rate, to cover the cost of enforcement, including parking enforcement, by the municipality when the vehicle or vessel is towed from public property. An authorized wrecker operator or towing business may impose and collect the administrative fee or charge on behalf of the municipality and shall remit such fee or charge to the municipality only after it is collected.

Section 6. Paragraph (c) of subsection (2) of section

202.24, Florida Statutes, is amended to read:

202.24 Limitations on local taxes and fees imposed on dealers of communications services.—

(2)

(c) This subsection does not apply to:

1. Local communications services taxes levied under this chapter.

2. Ad valorem taxes levied pursuant to chapter 200.

~~3. Business taxes levied under chapter 205.~~

3.~~4.~~ "911" service charges levied under chapter 365.

4.~~5.~~ Amounts charged for the rental or other use of property owned by a public body which is not in the public rights-of-way to a dealer of communications services for any purpose, including, but not limited to, the placement or attachment of equipment used in the provision of communications services.

5.~~6.~~ Permit fees of general applicability which are not related to placing or maintaining facilities in or on public roads or rights-of-way.

6.~~7.~~ Permit fees related to placing or maintaining facilities in or on public roads or rights-of-way pursuant to s. 337.401.

7.~~8.~~ Any in-kind requirements, institutional networks, or contributions for, or in support of, the use or construction of public, educational, or governmental access facilities allowed

under federal law and imposed on providers of video service pursuant to any existing ordinance or an existing franchise agreement granted by each municipality or county, under which ordinance or franchise agreement service is provided before July 1, 2007, or as permitted under chapter 610. This subparagraph does not prohibit providers of video service from recovering the expenses as allowed under federal law.

8.~~9.~~ Special assessments and impact fees.

9.~~10.~~ Pole attachment fees that are charged by a local government for attachments to utility poles owned by the local government.

10.~~11.~~ Utility service fees or other similar user fees for utility services.

11.~~12.~~ Any other generally applicable tax, fee, charge, or imposition authorized by general law on July 1, 2000, which is not specifically prohibited by this subsection or included as a replaced revenue source in s. 202.20.

Section 7. Paragraph (a) of subsection (4) of section 213.0535, Florida Statutes, is amended to read:

213.0535 Registration Information Sharing and Exchange Program.—

(4) There are two levels of participation:

(a) Each unit of state or local government responsible for administering one or more of the provisions specified in subparagraphs 1.-7. ~~1.-8.~~ is a level-one participant. Level-one

participants shall exchange, monthly or quarterly, as determined jointly by each participant and the department, the data enumerated in subsection (2) for each new registrant, new filer, or initial reporter, permittee, or licensee, with respect to the following taxes, licenses, or permits:

1. The sales and use tax imposed under chapter 212.

2. The tourist development tax imposed under s. 125.0104.

3. The tourist impact tax imposed under s. 125.0108.

~~4. Local business taxes imposed under chapter 205.~~

4.~~5.~~ Convention development taxes imposed under s. 212.0305.

5.~~6.~~ Public lodging and food service establishment licenses issued pursuant to chapter 509.

6.~~7.~~ Beverage law licenses issued pursuant to chapter 561.

7.~~8.~~ A municipal resort tax as authorized under chapter 67-930, Laws of Florida.

Section 8. Paragraph (b) of subsection (3) of section 213.055, Florida Statutes, is amended to read:

213.055 Declared emergency; waiver or suspension of specified revenue laws and other requirements.—

(3)

(b)1. Notwithstanding any other law, an out-of-state business that is conducting operations within this state during a disaster-response period solely for purposes of performing emergency-related work or pursuant to a mutual aid agreement is

not considered to have established a level of presence that would require that business to register, file, and remit state or local taxes or fees or require that business to be subject to any registration, licensing, or filing requirements in this state. For purposes of any state or local tax on or measured, in whole or in part, by net or gross income or receipts, the activity of the out-of-state business conducted in this state during the disaster-response period must be disregarded with respect to any filing requirements for such tax, including the filing required for a consolidated group of which the out-of-state business may be a part. This includes the following:

a. Reemployment assistance taxes.

b. State or local professional or occupational licensing requirements or related fees.

~~c. Local business taxes.~~

c.~~d.~~ Taxes on the operation of commercial motor vehicles.

d.~~e.~~ Corporate income tax.

e.~~f.~~ Tangible personal property tax and use tax on equipment that is brought into the state by the out-of-state business, used by the out-of-state business only to perform emergency-related work during the disaster-response period, and removed from the state by the out-of-state business after the disaster-response period.

2. Notwithstanding any other law, an out-of-state employee whose only employment in this state is for the performance of

emergency-related work or pursuant to a mutual aid agreement during a disaster-response period is not required to comply with state or local occupational licensing requirements or related fees.

Section 9. Paragraph (b) of subsection (2) of section 213.756, Florida Statutes, is amended to read:

213.756 Funds collected are state tax funds.—

(2)

(b) This subsection applies to those taxes enumerated in s. 72.011, excluding chapter 202 and that portion of chapter 203 collected thereunder~~, and also applies to taxes imposed under chapter 205~~.

Section 10. Paragraph (c) of subsection (3) of section 330.41, Florida Statutes, is amended to read:

330.41 Unmanned Aircraft Systems Act.—

(3) REGULATION.—

(c) Except as otherwise expressly provided, a political subdivision may not withhold issuance of a business tax receipt, development permit, or other use approval to a drone delivery service or enact or enforce an ordinance or resolution that prohibits a drone delivery service's operation based on the location of its drone port, notwithstanding part II of chapter 163 ~~and chapter 205~~. A political subdivision may enforce minimum setback and landscaping regulations that are generally applicable to permitted uses in the drone port site's zoning

district. This paragraph may not be construed to authorize a political subdivision to require additional landscaping as a condition of approval of a drone port.

Section 11. Paragraph (f) of subsection (3) of section 337.401, Florida Statutes, is amended to read:

337.401 Use of right-of-way for utilities subject to regulation; permit; fees.—

(3)

(f) Except as expressly allowed or authorized by general law and except for the rights-of-way permit fees subject to paragraph (c), a municipality or county may not levy on a provider of communications services a tax, fee, or other charge or imposition for operating as a provider of communications services within the jurisdiction of the municipality or county which is in any way related to using its roads or rights-of-way. A municipality or county may not require or solicit in-kind compensation, except as otherwise provided in s. 202.24(2)(c)7. ~~s. 202.24(2)(c)8.~~, provided that the in-kind compensation is not a franchise fee under federal law. Nothing in this paragraph impairs the authority of a municipality or county to request public, educational, or governmental access channels pursuant to s. 610.109. Nothing in this paragraph shall impair any ordinance or agreement in effect on May 22, 1998, or any voluntary agreement entered into subsequent to that date, which provides for or allows in-kind compensation by a telecommunications

company.

Section 12. Paragraphs (e) through (o) of subsection (1) of section 376.84, Florida Statutes, are redesignated as paragraphs (d) through (n), respectively, and present paragraph (d) of that subsection is amended, to read:

376.84 Brownfield redevelopment economic incentives.—It is the intent of the Legislature that brownfield redevelopment activities be viewed as opportunities to significantly improve the utilization, general condition, and appearance of these sites. Different standards than those in place for new development, as allowed under current state and local laws, should be used to the fullest extent to encourage the redevelopment of a brownfield. State and local governments are encouraged to offer redevelopment incentives for this purpose, as an ongoing public investment in infrastructure and services, to help eliminate the public health and environmental hazards, and to promote the creation of jobs in these areas. Such incentives may include financial, regulatory, and technical assistance to persons and businesses involved in the redevelopment of the brownfield pursuant to this act.

(1) Financial incentives and local incentives for redevelopment may include, but not be limited to:

~~(d) Waiver, reduction, or limitation by line of business with respect to business taxes pursuant to chapter 205.~~

Section 13. Subsections (5) and (6) of section 379.3761,

Florida Statutes, are renumbered as subsection (4) and (5), respectively, and present subsection (4) of that section is amended to read:

379.3761 Exhibition or sale of wildlife; fees; classifications.—

~~(4) The provisions of this section relative to licensing for exhibition do not apply to any municipal, county, state, or other publicly owned wildlife exhibit or any traveling zoo, circus, or exhibit licensed under chapter 205.~~

Section 14. Subsection (5) of section 482.071, Florida Statutes, is amended to read:

482.071 Licenses.—

~~(5) A license under this section is a prerequisite for the issuance of a local occupational license to engage in pest control, as provided in s. 205.1967.~~

Section 15. Paragraphs (b) through (g) of subsection (1) of section 482.242, Florida Statutes, are redesignated as paragraphs (a) through (f), respectively, and present paragraph (a) of that subsection is amended, to read:

482.242 Preemption.—

(1) This chapter is intended as comprehensive and exclusive regulation of pest control in this state. The provisions of this chapter preempt to the state all regulation of the activities and operations of pest control services, including the pesticides used pursuant to labeling and

registration approved under part I of chapter 487. No local government or political subdivision of the state may enact or enforce an ordinance that regulates pest control, except that the preemption in this section does not prohibit a local government or political subdivision from enacting an ordinance regarding any of the following:

~~(a) Local business taxes adopted pursuant to chapter 205.~~

Section 16. Subsection (1) of section 489.127, Florida Statutes, is amended to read:

489.127 Prohibitions; penalties.—

(1) No person shall:

(a) Falsely hold himself or herself or a business organization out as a licensee, certificateholder, or registrant;

(b) Falsely impersonate a certificateholder or registrant;

(c) Present as his or her own the certificate or registration of another;

(d) Knowingly give false or forged evidence to the board or a member thereof;

(e) Use or attempt to use a certificate or registration that has been suspended or revoked;

(f) Engage in the business or act in the capacity of a contractor or advertise himself or herself or a business organization as available to engage in the business or act in the capacity of a contractor without being duly registered or

certified;

(g) Operate a business organization engaged in contracting after 60 days following the termination of its only qualifying agent without designating another primary qualifying agent, except as provided in ss. 489.119 and 489.1195;

(h) Commence or perform work for which a building permit is required pursuant to part IV of chapter 553 without such building permit being in effect; or

(i) Willfully or deliberately disregard or violate any municipal or county ordinance relating to uncertified or unregistered contractors.

For purposes of this subsection, a person or business organization operating on an inactive or suspended certificate or registration is not duly certified or registered and is considered unlicensed. ~~A business tax receipt issued under the authority of chapter 205 is not a license for purposes of this part.~~

Section 17. Paragraph (c) of subsection (1) of section 489.128, Florida Statutes, is redesignated as paragraph (b), and present paragraph (b) of that subsection is amended, to read:

489.128 Contracts entered into by unlicensed contractors unenforceable.—

(1) As a matter of public policy, contracts entered into on or after October 1, 1990, by an unlicensed contractor shall

be unenforceable in law or in equity by the unlicensed contractor.

~~(b) For purposes of this section, an individual or business organization may not be considered unlicensed for failing to have a business tax receipt issued under the authority of chapter 205.~~

Section 18. Paragraph (c) of subsection (3) of section 489.131, Florida Statutes, is amended to read:

489.131 Applicability.—

(3) Nothing in this part limits the power of a municipality or county:

(c) To collect ~~business taxes, subject to s. 205.065, and~~ inspection fees for engaging in contracting or examination fees from persons who are registered with the board pursuant to local examination requirements ~~and issue business tax receipts. However, nothing in this part shall be construed to require general contractors, building contractors, or residential contractors to obtain additional business tax receipts for specialty work when such specialty work is performed by employees of such contractors on projects for which they have substantially full responsibility and such contractors do not hold themselves out to the public as being specialty contractors~~.

Section 19. Paragraph (c) of subsection (1) of section 489.532, Florida Statutes, is redesignated as paragraph (b), and

present paragraph (b) of that subsection is amended, to read:

489.532 Contracts entered into by unlicensed contractors unenforceable.—

(1) As a matter of public policy, contracts entered into on or after October 1, 1990, by an unlicensed contractor shall be unenforceable in law or in equity by the unlicensed contractor.

~~(b) For purposes of this section, an individual or business organization shall not be considered unlicensed for failing to have a business tax receipt issued under the authority of chapter 205.~~

Section 20. Subsection (9) of section 489.537, Florida Statutes, is renumbered as subsection (8) and present subsection (8) of that section is amended, to read:

489.537 Application of this part.—

~~(8) Persons licensed under this part are subject to ss. 205.0535(1) and 205.065, as applicable.~~

Section 21. Subsection (8) of section 500.12, Florida Statutes, is amended to read:

500.12 Food permits; building permits.—

~~(8) A person who applies for or renews a local business tax certificate to engage in business as a food establishment must exhibit a current food permit or an active letter of exemption from the department before the local business tax certificate may be issued or renewed.~~

Section 22. Subsection (3) of section 500.511, Florida Statutes, is amended to read:

500.511 Fees; enforcement; preemption.—

(3) PREEMPTION OF AUTHORITY TO REGULATE.—Regulation of bottled water plants, water vending machines, water vending machine operators, and packaged ice plants is preempted by the state. No county or municipality may adopt or enforce any ordinance that regulates the licensure or operation of bottled water plants, water vending machines, or packaged ice plants, unless it is determined that unique conditions exist within the county which require the county to regulate such entities in order to protect the public health. ~~This subsection does not prohibit a county or municipality from requiring a business tax pursuant to chapter 205.~~

Section 23. Subsection (8) of section 501.015, Florida Statutes, is renumbered as subsection (7), and present subsection (7) of that section is amended, to read:

501.015 Health studios; registration requirements and fees.—Each health studio shall:

~~(7) A person applying for or renewing a local business tax receipt to engage in business as a health studio must exhibit an active registration certificate from the Department of Agriculture and Consumer Services before the local business tax receipt may be issued or reissued.~~

Section 24. Subsection (1) of section 501.016, Florida

Statutes, is amended to read:

501.016 Health studios; security requirements.—Each health studio that sells contracts for health studio services shall meet the following requirements:

(1) Each health studio shall maintain for each separate business location a bond issued by a surety company admitted to do business in this state. The principal sum of the bond must be $25,000~~, and the bond, when required, must be obtained before a business tax receipt may be issued under chapter 205. Upon issuance of a business tax receipt, the licensing authority shall immediately notify the department of such issuance in a manner established by the department by rule~~. The bond must be in favor of the department for the benefit of a person injured as a result of a violation of ss. 501.012-501.019. Liability for injuries as a result of a violation of ss. 501.012-501.019 may be determined in an administrative proceeding of the department or through a civil action. However, claims against the bond or certificate of deposit may only be paid by order of the department in an administrative proceeding in amounts up to the determined liability for the injuries. The aggregate liability of the surety to all persons for all breaches of the conditions of the bonds provided by this section may not exceed the amount of the bond. The original surety bond required by this section shall be filed with the department on a form adopted by department rule.

Section 25. Subsection (8) of section 501.160, Florida Statutes, is amended to read:

501.160 Rental or sale of essential commodities during a declared state of emergency; prohibition against unconscionable prices.—

~~(8) Upon a declaration of a state of emergency by the Governor, in order to protect the health, safety, and welfare of residents, any person who offers goods and services for sale to the public during the duration of the emergency and who does not possess a business tax receipt under s. 205.032 or s. 205.042 commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. During a declared emergency, this subsection does not apply to religious, charitable, fraternal, civic, educational, or social organizations. During a declared emergency and when there is an allegation of price gouging against the person, failure to possess a license constitutes reasonable cause to detain the person, provided that the detention shall only be made in a reasonable manner and only for a reasonable period of time sufficient for an inquiry into the circumstances surrounding the failure to possess a license.~~

Section 26. Paragraph (c) of subsection (1) of section 507.13, Florida Statutes, is amended to read:

507.13 Local regulation.—

(1)

~~(c) This section does not preempt a local government's authority to levy a local business tax pursuant to chapter 205.~~

Section 27. Paragraph (g) of subsection (3) of section 539.001, Florida Statutes, is redesignated as paragraph (f) and present paragraph (f) of that subsection is amended to read:

539.001 The Florida Pawnbroking Act.—

(3) LICENSE REQUIRED.—

~~(f) Any person applying for or renewing a local occupational license to engage in business as a pawnbroker must exhibit a current license from the agency before the local business tax receipt may be issued or reissued.~~

Section 28. Subsections (8) through (11) of section 559.904, Florida Statutes, are renumbered as subsections (7) through (10), respectively, and present subsection (7) of that section is amended, to read:

559.904 Motor vehicle repair shop registration; application; exemption.—

~~(7) Any person applying for or renewing a local business tax receipt to engage in business as a motor vehicle repair shop must exhibit an active registration certificate from the department before the local business tax receipt may be issued or renewed.~~

Section 29. Subsections (5) through (9) of section 559.928, Florida Statutes, are renumbered as subsections (4) through (8), respectively, and present subsection (4) of that

section is amended, to read:

559.928 Registration.—

~~(4) A person applying for or renewing a local business tax receipt to engage in business as a seller of travel must exhibit a current registration certificate from the department before the local business tax receipt may be issued or reissued.~~

Section 30. Subsection (2) of section 559.9281, Florida Statutes, is amended to read:

559.9281 Student tour operators.—

(2) The department shall adopt rules to implement this section, including the establishment of the application procedures and minimum standards for those persons wishing to be approved as student tour operators under this section. At a minimum, a student tour operator must be registered and approved by the department as a seller of travel under s. 559.928, maintain security requirements provided under s. 559.929, and be current on all state ~~and local business~~s taxes.

Section 31. Subsection (6) of section 559.935, Florida Statutes, is amended to read:

559.935 Exemptions.—

(6) The department shall request from the Airlines Reporting Corporation any information necessary to implement the provisions of subsection (2). ~~Persons claiming an exemption under subsection (2) or subsection (3) must show a letter of exemption from the department before a local business tax~~

~~receipt to engage in business as a seller of travel may be issued or reissued.~~ If the department fails to issue a letter of exemption on a timely basis, the seller of travel shall submit to the department, through certified mail, an affidavit containing her or his name and address and an explanation of the exemption sought. ~~Such affidavit may be used in lieu of a letter of exemption for the purpose of obtaining a business tax receipt.~~ In any civil or criminal proceeding, the burden of proving an exemption under this section is on the person claiming such exemption. A letter of exemption issued by the department may not be used in, and has no bearing on, such proceedings.

Section 32. Section 559.939, Florida Statutes, is amended to read:

559.939 State preemption.—No municipality or county or other political subdivision of this state shall have authority to levy or collect any registration fee or tax, as a regulatory measure, or to require the registration or bonding in any manner of any seller of travel who is registered or complies with all applicable provisions of this part, unless that authority is provided for by special or general act of the Legislature. Any ordinance, resolution, or regulation of any municipality or county or other political subdivision of this state which is in conflict with any provision of this part is preempted by this part. ~~The provisions of this section do not apply to any local~~

~~business tax levied pursuant to chapter 205.~~

Section 33. Paragraph (c) of subsection (2) of section 559.955, Florida Statutes, is amended to read:

559.955 Home-based businesses; local government restrictions.—

(2) A home-based business that operates from a residential property as provided in subsection (3):

~~(c) Is only subject to applicable business taxes under chapter 205 in the county and municipality in which the home-based business is located.~~

Section 34. Section 616.12, Florida Statutes, is amended to read:

616.12 Licenses upon certain shows; distribution of fees; exemptions.—

(1) Each person who operates any traveling show, exhibition, amusement enterprise, carnival, vaudeville, exhibit, rodeo, theatrical, game or test of skill, riding device, dramatic repertoire, other show or amusement, or concession, including a concession operating in a tent, enclosure, or other temporary structure, within the grounds of, and in connection with, any annual public fair held by a fair association shall pay the license taxes provided by law. However, if the association satisfies the requirements of this chapter, including securing the required fair permit from the department, the license taxes ~~and local business tax authorized in chapter~~

~~205~~ are waived and the department shall issue a tax exemption certificate. The department shall adopt the proper forms and rules to administer this section, including the necessary tax exemption certificate, showing that the fair association has met all requirements and that the traveling show, exhibition, amusement enterprise, carnival, vaudeville, exhibit, rodeo, theatrical, game or test of skill, riding device, dramatic repertoire, other show or amusement, or concession is exempt.

(2) Any fair association securing the required annual fair permit from the department is exempt from ~~local business tax as defined by chapter 205,~~ occupational permit fees~~,~~ or any occupational taxes assessed by any county, municipality, political subdivision, agency, or instrumentality thereof.

Section 35. This act shall take effect July 1, 2026.

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: CS/HB 103	**COMPANION BILL:** SB 122 (Truenow)
TITLE: Local Business Taxes	**LINKED BILLS:** None
SPONSOR(S): Botana	**RELATED BILLS:** None

Committee References

Ways & Means	➤	Intergovernmental Affairs	➤	State Affairs
11 Y, 6 N		10 Y, 6 N		18 Y, 5 N, As CS

SUMMARY

Effect of the Bill:
The bill repeals Chapter 205, F.S., removing the authority for local governments to levy a local business tax and makes conforming changes. The bill allows municipalities that impose a business tax on merchants measured by gross receipts to continue to impose the tax and counties that levy an additional county business tax under current law to continue to levy such tax.

Fiscal or Economic Impact:
The Revenue Estimating Conference has not estimated the fiscal impacts of this bill; however, staff estimates that it will have a recurring negative impact of $184.2 million on local government revenues beginning in Fiscal Year 2026-27 (-$28.3 million counties; -$155.9 million municipalities).

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill repeals Chapter 205, F.S., removing the authority for local governments to levy a local business tax; however, certain local business taxes may continue to be levied notwithstanding the repeal of Chapter 205, F.S. (Sections 1 and 2)

The bill allows for the continued levy of a tax on merchants measured by the gross receipts from the sale of merchandise, services, or both that is collected by certain municipalities pursuant to the current s. 205.044, F.S. (Section 2)

The bill also allows for the continued levy of an additional business tax up to 50 percent of the county business tax rate collected pursuant to the current s. 205.033(6), F.S. The bill provides that a county may continue to levy the additional business tax only if it levied the tax under current law on January 1, 2026. Proceeds from the additional business tax must continue to be placed in a separate account and distributed to the entity designated by the governing body of the county, as of January 1, 2026, to oversee and implement a comprehensive economic development strategy. A county authorized to levy this additional business tax may choose to repeal the tax by ordinance at any time; however, the authority to levy the additional business tax expires once the tax is repealed. (Section 2)

The bill makes conforming changes to Florida Statutes to eliminate existing references to Chapter 205. (Sections 4-34)

The bill provides an effective date of July 1, 2026. (Section 35)

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

The Revenue Estimating Conference has not estimated the fiscal impacts of this bill; however, staff estimates that it will have a recurring negative impact of $184.2 million on local government revenues beginning in Fiscal Year 2026-27 (-$28.3 million counties; -$155.9 million municipalities).

PRIVATE SECTOR:

The bill eliminates local business taxes, reducing the amount of taxes paid by businesses.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Local Business Tax

The local business tax authorized in Chapter 205, F.S., represents the fees charged and the method by which a local government authority grants the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction.[1] Counties and municipalities may levy a business tax, and the tax proceeds are treated as general revenue for the local government.[2] This tax does not refer to any regulatory fee or license paid to any board, commission, or officer for permits, registration, examination, or inspection.[3]

Local business taxes are sometimes colloquially referred to as "business tax receipts."[4] The term "receipt" refers to the document issued by the local governing authority that bears the words "Local Business Tax Receipt" and evidences that the person in whose name the document is issued has complied with the provisions of Chapter 205, F.S., relating to the business tax.[5] The taxes are due and payable on or before September 30 of each year, and the receipts expire on September 30 of the succeeding year.[6]

A business may owe local business taxes at both the county and municipal level. Section 205.065, F.S. limits other local governments from levying a business tax when a business regulated by the Department of Business and Professional Regulation is performing a temporary or transitory work of service and that business has paid business tax in the county or municipality in which it has a permanent location.

History of Local Business Taxes

Prior to 1972, the state imposed an occupational license tax and shared the revenues with the counties.[7] Municipalities levied their own occupational license taxes pursuant to local ordinances or resolutions. Counties had no authority to levy an occupational license tax until October 1, 1972, when Chapter 72-306, L.O.F., repealed the state tax and authorized both counties and cities to impose an occupational tax at the state or city rate then in effect. This system was codified under what was then known as the Local Occupational License Act. Chapter 2006-152, L.O.F., renamed the "Local Occupational License Tax Act" to the "Local Business Tax Act," to clarify that the tax is purely a revenue measure and does not certify professional qualifications.

Local Business Tax Revenues

The revenues derived from the business tax imposed by county governments, exclusive of the costs of collection and any credit given for municipal business taxes, are apportioned between the county's unincorporated area and the incorporated municipalities located within the county by a ratio derived by dividing each jurisdiction's

[1] Section 205.022(5), F.S.
[2] Sections 205.033 and 205.042, F.S. *See also* Office of Economic and Demographic Research, *2024 Local Government Financial Information Handbook*, p. 140 (last visited Feb. 3, 2026).
[3] Section 205.022(5), F.S.
[4] *See, e.g.,* Village of Palmetto Bay, *FAQs* (last visited Feb. 3, 2026).
[5] Section 205.022(8), F.S.
[6] Section 205.053(1), F.S.
[7] *See* ch. 205, F.S. (1971).

population by the county's total population.[8] Within 15 days following the month of receipt, the apportioned revenues are sent to each governing authority; however, this provision does not apply to counties that have established a new rate structure pursuant to s. 205.0535, F.S.[9]

The tax proceeds are considered general revenue for the county or municipality. Additionally, county business tax proceeds may be used to oversee and implement a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.[10]

In Local Fiscal Year 2023-24, the most recent year for which preliminary data is available, counties collected a total of $27.5 million of local business tax revenue.[11] In that same Local Fiscal Year, municipalities (excluding Panama City and Panama City Beach) collected a total of $139.0 million of local business tax revenue. In Local Fiscal Year 2023-24, 255 municipalities and 35 counties reported collecting local business tax. [12]

Panama City and Panama City Beach Local Business Taxes

The cities of Panama City and Panama City Beach levy separate local business taxes on the gross sales of all retail and wholesale merchants within the municipal jurisdiction.[13] These municipalities are the only local governments in Florida that levy a local business tax on the gross receipts of retail and wholesale merchants.

For retail merchants, the City of Panama City imposes a tax of $10 for each $1,000 (i.e. 1 percent) of gross sales with a minimum tax of $1.50 per month. The tax imposed on wholesale merchants is $0.50 for each $1,000 of gross sales, or major fraction thereof (i.e. 0.05 percent) with a minimum tax of $1.50 per month. The tax only applies to the first $5,000 collected by a merchant for any single item of merchandise. Panama City reported collecting $13.1 million in revenue Local Fiscal Year 2023-24.[14]

The City of Panama City Beach imposes a tax of $10 for each $1,000 (i.e. 1 percent) of gross sales with a minimum tax of $50 per year for retail merchants. The tax imposed on wholesale merchants is $1.50 for each $1,000 of gross sales, or major fraction thereof (i.e. 0.15 percent) with a minimum tax of $50 per year.[15] Panama City Beach reported collecting $20.5 million in revenue Local Fiscal Year 2023-24.[16]

Additional County Business Tax

Current law authorizes certain counties to levy an additional county business tax of up to 50 percent of the county's business tax rate.[17] The proceeds of such tax must be placed in a separate account and all funds, including any accrued interest, must be distributed by the county to an organization or an agency designated by the governing body of the county to oversee and implement its comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.[18]

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[8] Section 205.033(4), F.S.
[9] Section 205.033(5), F.S.
[10] Section 205.033(7), F.S.
[11] Revenue Estimating Conference, *Local Business Tax Repeal* (last visited Feb. 3, 2026).
[12] *Id.*
[13] Office of Economic and Demographic Research, *2024 Local Government Financial Information Handbook*, p. 142 (last visited Feb. 3, 2026).
[14] Florida Department of Financial Services, Local Government Financial Data filed through the Florida Open Financial Statement System, 2024 Annual Financial Report for Panama City.
[15] Office of Economic and Demographic Research, *2024 Local Government Financial Information Handbook*, p. 142 (last visited Feb. 3, 2026).
[16] Florida Department of Financial Services, Local Government Financial Data filed through the Florida Open Financial Statement System, 2024 Annual Financial Report for Panama City Beach.
[17] S. 205.033(6)(a), F.S. This tax may be levied by each county as defined in s. 125.011(1), F.S., or any county adjacent to such a county.
[18] S. 205.033(6)(b), F.S.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Ways & Means Committee	11 Y, 6 N	12/10/2025	Aldridge	Hallaian
Intergovernmental Affairs Subcommittee	10 Y, 6 N	1/20/2026	Darden	Hilliard
State Affairs Committee	18 Y, 5 N, As CS	2/3/2026	Williamson	Hilliard
THE CHANGES ADOPTED BY THE COMMITTEE:	• Allowed for the continued levy of an additional business tax up to 50 percent of the county business tax rate collected pursuant to the current s. 205.033(6), F.S., provided that the county levied the tax under current law on January 1, 2026.			

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

2025
Local Government Financial Information Handbook

February 2026

The Florida Legislature's

Office of Economic and Demographic Research

Local Business Tax

(Including Panama City and Panama City Beach's Local Business Taxes on the Gross Sales of Retail and Wholesale Merchants)

Chapter 205, Florida Statutes

Summary:
The local business tax represents the taxes charged and the method by which a local government grants the privilege of engaging in or managing any business, profession, and occupation within its jurisdiction. Counties and municipalities may levy a business tax, and the tax proceeds are considered general revenue for the local government. This tax does not refer to any fees or licenses paid to any board, commission, or officer for permits, registration, examination, or inspection.

General Law Amendments:
There were no general law amendments resulting from the 2025 Regular Legislative Session.

Eligibility Requirements:
County and municipal governments are eligible to levy, by appropriate resolution or ordinance, a business tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction.[1] If adopted by ordinance prior to January 1, 1995, a county, as defined in s. 125.011(1), F.S., (i.e., Miami-Dade County) or any adjacent county (i.e., Broward, Collier, and Monroe counties) is authorized to levy and collect an additional business tax up to 50 percent of the appropriate business tax imposed under s. 205.033(1), F.S.[2]

Administrative Procedures:
In order to levy a business tax, the governing body must first give at least 14 days of public notice between the first and last reading of the resolution or ordinance by publishing a notice in a newspaper of general circulation within its jurisdiction. The public notice must contain the proposed classifications and rates applicable to the business tax.[3] A number of other conditions for levy are imposed on counties and municipalities.[4]

According to statute, a *receipt* is the document that is issued by the local governing authority which evidences that the person in whose name the document is issued has complied with the provisions relating to the business tax.[5] The governing body of a municipality that levies the tax may request that the county in which the municipality is located issue the municipal receipt and collect the tax. The governing body of a county that levies the tax may request that municipalities within the county issue the county receipt and collect the tax. However, before any local government issues any business receipts on behalf of another local government, appropriate agreements must be entered into by the affected local governments.[6] The taxes are due and payable to the tax collector on or before September 30th of each year, and the receipts expire on September 30th of the succeeding year. In several situations, administrative penalties are also imposed.[7]

1. Sections 205.032, .042, F.S.
2. Section 205.033(6), F.S.
3. Sections 205.032, .042, F.S.
4. Sections 205.033, .043, F.S.
5. Sections 205.022(8), F.S.
6. Section 205.045, F.S.
7. Section 205.053, F.S.

A county or municipality that has not adopted a business tax ordinance or resolution may adopt a business tax ordinance. The tax rate structure and classifications in the adopted ordinance must be reasonable and based upon the rate structure and classifications prescribed in ordinances adopted by adjacent local governments that have implemented s. 205.0535, F.S. If no adjacent local government has implemented s. 205.0535, F.S., or if the governing body of the county or municipality finds that the rate structures or classifications of adjacent local governments are unreasonable, then an alternative method is authorized. In such a case, the rate structure or classifications prescribed in the ordinance of the local government seeking to impose the tax may be based upon those prescribed in ordinances adopted by local governments that have implemented s. 205.0535, F.S., in counties or municipalities that have a comparable population.[8]

Once a local government has a local business tax in place, changes to the tax must satisfy certain statutory requirements.[9] A county or municipality may pass an ordinance repealing or decreasing a local business tax by majority vote of the governing body, as long as the ordinance does not result in an increase of local business taxes for any taxpayer.[10] However, before passing an ordinance that reclassifies businesses, professions, and occupations, or establishes new rate structures, a county or municipality must establish an equity study commission to recommend appropriate classifications and rate structures.[11] After the study is complete, a county or municipality may pass a reclassification and revision ordinance by majority vote; however, there are statutory limits on any tax increases.[12] After a reclassification ordinance is passed, a county or municipality may increase or decrease its tax rates by up to five percent, every other year; however, an ordinance that increases the tax must be passed by a majority vote plus one of the governing body.[13] State law exempts, or allows local governments to exempt, certain individuals from all or some portion of local business taxes. State law also regulates the issuance of local business tax receipts to certain individuals or businesses.[14]

Distribution of Proceeds:
The revenues derived from the business tax imposed by county governments, exclusive of the costs of collection and credit given for municipal business taxes, are apportioned between the county's unincorporated area and the incorporated municipalities located within the county by a ratio derived by dividing their respective populations by the county's total population.[15] Within 15 days following the month of receipt, the apportioned revenues are sent to each governing authority; however, this provision does not apply to counties that established a new rate structure pursuant to s. 205.0535, F.S.[16]

Authorized Uses:
The tax proceeds are considered general revenue for the county or municipality. Additionally, the county business tax proceeds may be used for overseeing and implementing a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.[17] The proceeds of the additional county business tax imposed pursuant to s. 205.033(6), F.S., are distributed by the county's governing body to a designated organization or agency for the purpose of

8. Section 205.0315, F.S.
9. Section 205.0535, F.S.
10. Section 205.0535(5), F.S.
11. Section 205.0535(2), F.S.
12. Section 205.0535(3), F.S.
13. Section 205.0535(4), F.S.
14. See Sections 205.054 – 205.192, F.S.
15. Section 205.033(4), F.S.
16. Section 205.033(5), F.S.
17. Section 205.033(7), F.S.

implementing a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.[18]

Attorney General Opinions:
Florida's Attorney General has issued the following legal opinions relevant to this revenue source.

Opinion #	Subject
2019-04	Local business tax – E-Verify
2014-11	Taxation, business tax, occupational license tax
2011-20	Business license tax, firearms, municipalities
2010-41	Local business tax, reclassify/exempt businesses
2010-23	Local business taxes, amendment of ordinance

Interested persons can also access numerous opinions issued under the revenue source's prior name *occupational license tax*. The full texts of these opinions are available via a searchable on-line database.[19] Local government officials seeking more clarification should review the opinions in their entirety. The reader should keep the date of the opinion in mind when reviewing its relevance to current law or any interpretations that have been articulated in Florida case law.

Prior Years' Revenues:
A summary of prior years' revenues reported by local governments is available.[20]

18. Section 205.033(6)(b), F.S.
19. https://www.myfloridalegal.com/ag-opinions
20. http://edr.state.fl.us/Content/local-government/data/data-a-to-z/index.cfm

Panama City and Panama City Beach's Local Business Taxes on the Gross Sales of Retail and Wholesale Merchants

Section 205.044, Florida Statutes,
as implemented by Part II, Chapter 7, Article II, Section 7-53, of the Panama City Municipal Code;[21]
and Chapter 14, Section 14-29 (136), of the Code of Ordinances, City of Panama City Beach, Florida.[22]

Summary – Panama City Tax:
The City of Panama City levies separate license taxes on the gross sales of all retail and wholesale merchants within the municipal jurisdiction. For retail merchants, the tax is $10 for each $1,000 (i.e., 1 percent) of gross sales with a minimum tax of $1.50 per month. For wholesale merchants, the tax is $0.50 for each $1,000 of gross sales, or major fraction thereof, (i.e., 0.05 percent) with a minimum tax of $1.50 per month. Additionally, the tax applies only to the first $5,000 collected by a merchant for any single item of merchandise. The merchant pays the license tax by the 30th day of each month based on the merchant's gross sales of the preceding month. If payment is made on or before the 20th day of the month such tax is payable, a 3 percent discount is allowed.

Summary – Panama City Beach Tax:
The City of Panama City Beach levies separate business taxes on the gross sales of all retail and wholesale merchants within the municipal jurisdiction. For retail merchants, the tax is $10 for each $1,000 of gross sales, or major portion thereof, (i.e., 1 percent) with a minimum tax of $50 per year. For wholesale merchants, the tax is $1.50 for each $1,000 of gross sales, or major fraction thereof, (i.e., 0.15 percent) with a minimum tax of $50 per year. On the first day of each month, the merchant submits a statement of gross sales for the preceding month at which time the tax is paid. The statement and payment are delinquent on the 10th day of each month following application for receipt. Upon becoming delinquent, the receipt is subject to revocation by the city council, and the city clerk reports at each regular city council meeting any delinquent merchant's business tax receipts. Once revoked, a merchant's receipts may be reinstated if all accrued taxes plus a 10 percent penalty of the gross amount are paid. No merchant can transact business while his or her business tax receipt stands revoked. If payment is made on or before the 10th day of the month such tax is payable, a 3 percent discount is allowed.

The cities of Panama City and Panama City Beach are the only known local governments in Florida that levy a license/business tax on the gross receipts of retail and wholesale merchants.

General Law Amendments:
There were no general law amendments resulting from the 2025 Regular Legislative Session.

Prior Years' Revenues:
The annual amounts of general fund revenue generated from merchant licenses are reported separately from other local business tax revenues in Panama City's annual budget.[23] However, such amounts are not separately reported in Panama City Beach's annual budget or financial statement.[24]

21. https://www.municode.com/library/fl/panama_city/codes/code_of_ordinances (see Subpart A-General Ordinances, Chapter 7-Business Licenses and Business Regulations, Section 7-53-Amounts of License Taxes-MERCHANTS).
22. https://www.municode.com/library/fl/panama_city_beach/codes/code_of_ordinances (see Chapter 14-Licenses and License Taxes, Section 14-29 Business Tax Schedule-MERCHANTS).
23. http://www.pcgov.org/archive.aspx
24. https://www.pcbfl.gov/departments/finance/budgets-financial-statements



Taxpayer Bill of Rights (TABOR)

Tax Payer Bill of Rights (TABOR) Background

The Colorado Experience and Florida's History with Revenue Caps

Why this matters now: the Taxation and Budget Reform Commission convenes again in 2027 for its constitutionally mandated 20-year review, and CFO Blaise Ingoglia has publicly called for a Colorado-style Taxpayer Bill of Rights, describing it as a model worth pursuing for Florida. This memo gives committee members a concise, common foundation before that conversation advances.

1. What Is a Taxpayer Bill of Rights?

A Taxpayer Bill of Rights, or TABOR, is a constitutional formula that limits how fast government revenue or spending can grow each year. The formula is almost always the same: inflation plus population growth. Anything collected above that limit must be refunded to taxpayers or, in some versions, set aside until voters agree to let government keep and spend it. Any new tax, a rate increase, an extension of an expiring tax, or new government debt requires voter approval at the ballot box — the legislature or a local governing body cannot do it alone.

Colorado is the only state that has ever enacted one. Voters there approved TABOR by citizen initiative in 1992, and it remains part of the Colorado Constitution today. Since 2004, TABOR-style proposals have been introduced or promoted in roughly 29 states, including Florida on two separate occasions. Every one of them has failed — rejected by voters, vetoed, or removed from the ballot before a vote could occur.

Colorado's Taxpayer's Bill of Rights (TABOR), a 1992 constitutional amendment, requires voter approval for tax and revenue increases and generally caps state revenue growth to inflation plus population change, refunding any excess to taxpayers. Every significant fiscal policy shift in Colorado since then has had to work around, through, or against that cap. Over the past five years, the pattern has been consistent: the legislature and citizen groups have gone to voters repeatedly — mostly during off-year and general elections — seeking narrow, program-specific permission to retain revenue above the TABOR cap, rather than attempting to repeal or broadly restructure TABOR itself. Since TABOR's adoption in 1992 through 2025, Colorado voters have decided 42 statewide revenue-related measures; 16 (38%) were approved and 26 (62%) were defeated, underscoring how difficult it remains to win voter approval even for narrowly tailored asks.

The largest action is unfolding now: legislators referred Proposition NN to the November 2026 ballot to raise the TABOR cap by an estimated $4.6 billion and redirect the associated revenue — which would otherwise be refunded to taxpayers — primarily to K-12 education. Voters will also decide a citizen-initiated graduated income tax measure and a separate TABOR-carve-out for conservation funding on the same ballot.

Colorado TABOR at a Glance

Feature	How It Works
Revenue cap formula	Annual revenue growth is limited to inflation plus population growth.
Surplus revenue	Collections above the cap must be refunded to taxpayers, unless voters approve keeping the excess.
New taxes or debt	Any new tax, tax rate increase, extension of an expiring tax, or new debt requires voter approval at the ballot.
The “ratchet-down” effect	Each year’s cap is set from the prior year’s actual revenue. A recession that depresses collections permanently lowers the baseline the cap grows from, even after the economy recovers.

The mechanism that does the most damage: the "ratchet-down" effect

TABOR's cap is not fixed — it resets every year based on the prior year's actual revenue. In a recession, when collections fall, that lower figure becomes the new floor the cap grows from going forward. Even after the economy recovers, government revenue is capped relative to the recession-era low rather than to what was collected before the downturn. Over time, this compounds: each recession permanently shrinks the base, and the formula never allows a full catch-up.

2. The Colorado Experience

Colorado's 32-plus years under TABOR offer the only real-world test of how this policy performs. The results have been closely studied, and the consensus findings are consistent:

- Colorado's national ranking in K-12 spending as a share of personal income fell from 35th to 49th among the states after TABOR took effect, according to research cited by the Center on Budget and Policy Priorities.
- Colorado's ranking for children receiving full vaccinations fell from 24th to 50th over the same period.
- The ratchet-down effect hit hardest during the early-2000s recession, compressing the state's revenue base so severely that voters themselves intervened.
- In 2005, Colorado voters approved Referendum C, which suspended TABOR's revenue limit for five years specifically to reverse a documented decline in public services — an acknowledgment, by the electorate that adopted TABOR, that the formula had gone too far.
- The strain has not fully resolved. As recently as 2025, members of the Colorado legislature introduced a bill to authorize a formal legal challenge to TABOR's constitutionality; it did not pass, but its introduction reflects how unsettled TABOR's application remains more than three decades in — including ongoing litigation over how it applies to local governments.

The throughline for committee members: TABOR's damage is not a one-time adjustment. It compounds through every recession, and it has required direct voter intervention to correct even in the one state that adopted it.

Year-by-Year Timeline over the Past Five Years (Colorado)

2021 — Mixed results on TABOR-adjacent measures

- Proposition 119 (citizen initiative): would have created an out-of-school learning enrichment program funded by raising the marijuana retail sales tax. Failed, 45.75% to 54.25%.
- Proposition 120 (citizen initiative): would have reduced residential and non-residential property tax assessment rates and authorized the state to retain $25 million in TABOR surplus revenue for five years to backfill local governments. Failed.

2022 — Healthy School Meals for All (Proposition FF) established

- Proposition FF (legislatively referred): created the Healthy School Meals for All program, funded by reducing state income tax deductions for households with federal adjusted gross income above $300,000. Approved, 56.75% to 43.25%. This is the funding base that 2025's Propositions LL and MM would later revisit.

2023 — One major TABOR reform rejected, one narrow retention approved

- Proposition HH (legislatively referred, May 2023): would have reduced property taxes for homes and businesses in exchange for smaller future TABOR refunds, backfilling local governments and school districts from the state surplus. Defeated by nearly three-fifths of voters, 40.36% to 59.64% — the most significant attempted TABOR trade-off rejected in this period.
- Proposition II (legislatively referred): allowed the state to retain roughly $23.65 million in nicotine/tobacco/vape tax revenue collected above TABOR-required refund levels, redirecting it to preschool funding. Approved, 67.53% to 32.47%.

2024 — No major statewide TABOR revenue measure

Colorado's 2024 statewide ballot focused on other issues (an open-primary/ranked-choice proposal and parole eligibility for violent offenders); no significant TABOR-related fiscal measure reached voters that year.

2025 — Twin measures shore up school meals funding

- Proposition LL (legislatively referred, via House Bill 25-1274): allowed the state to keep roughly $11.3 million in revenue collected above the original Proposition FF estimate, plus interest, rather than refunding it to higher-income taxpayers. Approved, roughly 63% to 37%.
- Proposition MM (legislatively referred): further reduced income tax deductions for households earning $300,000+ (average increase of about $486/year per affected household) to raise an additional $95 million annually, funding both school meals and SNAP food-assistance support. Approved, 59.73% to 40.27%.
- Both measures passed by wide margins with no organized opposition campaign, though Republican legislators opposed both when referring them to the ballot.

2026 — The largest cap adjustment yet, on the ballot in November

- Senate Bill 135, introduced March 5, 2026 and passed by the General Assembly May 12, 2026, refers Proposition NN to the November 3, 2026 ballot. It would let the state retain and spend revenue collected above the TABOR cap, up to the amount of its annual K-12 spending — effectively raising the cap. At least half of the retained surplus, plus an additional 2% of K-12 expenditures, would be dedicated to schools.
- Fiscal analysts estimate Proposition NN could raise the spending cap by at least $4.6 billion and eliminate over $1 billion in taxpayer refunds over the next two years. It follows roughly $1.5 billion in state budget cuts made this year to close a shortfall driven largely by rising Medicaid costs.
- Proposition 137 (citizen initiative, same ballot): would exempt sales tax revenue from sporting goods and equipment from TABOR's refund requirement, redirecting it instead to a new fund for water, land, and wildfire-prevention programs.
- Initiative 195 (citizen initiative, qualified September 1, 2026): not a TABOR-cap measure itself, but part of the same funding debate — it would replace Colorado's flat income tax with a graduated rate structure, raising rates on income above $500,000 to fund K-12, health care, and child care, framed by proponents as an answer to TABOR-driven budget constraints.

Pattern to Watch

Across all five years, the through-line is the same: rather than seeking to repeal or restructure TABOR outright, both the legislature and citizen coalitions have consistently pursued narrow, revenue-specific carve-outs — usually tied to a single popular program (school meals, preschool, K-12 broadly, conservation). Legislatively referred measures have a meaningfully higher success rate than citizen initiatives (65% vs. 5% historically), which explains why the largest pending action, Proposition NN, came from the General Assembly rather than a petition drive. Proposition NN in November 2026 represents the largest single cap adjustment attempted in this five-year window and is the one most likely to draw sustained committee interest given its scale and its direct trade-off against taxpayer refunds.

3. Florida's Prior Attempts — and Why Both Failed

Florida has attempted its own TABOR twice in the past two decades. Both efforts reached a formal decision point, and both fell short — one struck down by the courts, the other rejected directly by voters.

Year	Vehicle	Outcome	Why It Failed
2007–08	Taxation and Budget Reform Commission — Amendment 5	Struck from the ballot	Florida Supreme Court removed it in September 2008 for violating the single-subject rule and using misleading ballot language.
2011–12	Legislature-referred Amendment 3, "Smart Cap" (SJR 958)	Defeated at the polls, Nov. 2012	Modeled directly on Colorado's TABOR; opposed by AARP, the League of Women Voters, and local government and education groups; fell short of Florida's 60% approval threshold.

Sources: Florida Supreme Court ballot rulings (2008); Florida Division of Elections, November 2012 general election results.

The 2012 measure is the closer analogue to what is being discussed today: it copied Colorado's population-plus-inflation formula almost exactly, replacing Florida's existing revenue limit (which had been tied to personal income growth, a measure that moves more closely with the state's actual economy). It was opposed by AARP and the League of Women Voters, among others, on the grounds that a rigid formula could not keep pace with the needs of a fast-growing, aging state — and Florida voters agreed, denying it the 60% supermajority the state constitution requires for any constitutional amendment.

4. The Current Landscape in Florida

Two developments are converging to bring TABOR back into Florida's conversation:

- **The Taxation and Budget Reform Commission (TBRC) reconvenes in 2027.**

The Florida Constitution requires this 25-member commission to meet every 20 years — 2007, 2027, 2047, and so on — to review the state's tax structure and budget process and, if it chooses, place proposed constitutional amendments directly on the ballot without needing legislative approval first. The 2007–08 commission is the same body that produced Florida's first TABOR attempt.

- **CFO Ingoglia has named TABOR directly.**

Building on a series of local government spending reviews and transparency legislation, CFO Blaise Ingoglia has said Florida should pursue a taxpayer bill of rights modeled on Colorado's, including mandatory spending caps. His office's current legislative agenda — budget standardization and disclosure requirements, and the proposed Florida Agency for Fiscal Oversight — are statutory transparency measures, not a constitutional revenue cap. But his public comments signal that a true TABOR remains the longer-term goal.

This is unfolding alongside a separate, already-approved track: a constitutional amendment raising the homestead exemption (to $150,000 in 2027 and $250,000 in 2028) goes before voters in November 2026. That measure is a property tax change, not a TABOR-style revenue cap — but it shows the current appetite in Tallahassee for constitutional fiscal measures, and it will shape the budget environment the TBRC steps into.

5. Questions for the Committee to Watch

- Scope: would a renewed proposal apply only to the state, as in 2012, or extend to counties and municipalities, as Colorado's does?
- Design: would it include an annual ratchet, the specific mechanism that produced Colorado's compounding revenue losses — or a different formula intended to avoid it?
- Vehicle: does it arrive through the Legislature (60% vote needed to reach the ballot, as in 2012) or through the TBRC, which can refer amendments directly?
- Override: what threshold would be required to exceed the cap — a simple council vote, a supermajority, or a public referendum, as in Colorado?

Florida has now rejected this policy twice — once by the courts on technical grounds, once by voters on the merits. Understanding both outcomes, and Colorado's three-decade track record in between, is the foundation for how this committee engages if the idea resurfaces through the 2027 Commission.

A joint resolution proposing an amendment to Section 1 of Article VII and the creation of Section 19 of Article VII and Section 32 of Article XII of the State Constitution to replace the existing state revenue limitation with a new state revenue limitation based on inflation and population changes.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 1 of Article VII and the creation of Section 19 of Article VII and Section 32 of Article XII of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 1. Taxation; appropriations; state expenses~~; state revenue limitation~~.—

(a) No tax shall be levied except in pursuance of law. No state ad valorem taxes shall be levied upon real estate or tangible personal property. All other forms of taxation shall be preempted to the state except as provided by general law.

(b) Motor vehicles, boats, airplanes, trailers, trailer coaches and mobile homes, as defined by law, shall be subject to a license tax for their operation in the amounts and for the purposes prescribed by law, but shall not be subject to ad valorem taxes.

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(c) No money shall be drawn from the treasury except in pursuance of appropriation made by law.

(d) Provision shall be made by law for raising sufficient revenue to defray the expenses of the state for each fiscal period.

~~(e) Except as provided herein, state revenues collected for any fiscal year shall be limited to state revenues allowed under this subsection for the prior fiscal year plus an adjustment for growth. As used in this subsection, "growth" means an amount equal to the average annual rate of growth in Florida personal income over the most recent twenty quarters times the state revenues allowed under this subsection for the prior fiscal year. For the 1995-1996 fiscal year, the state revenues allowed under this subsection for the prior fiscal year shall equal the state revenues collected for the 1994-1995 fiscal year. Florida personal income shall be determined by the legislature, from information available from the United States Department of Commerce or its successor on the first day of February prior to the beginning of the fiscal year. State revenues collected for any fiscal year in excess of this limitation shall be transferred to the budget stabilization fund until the fund reaches the maximum balance specified in Section 19(g) of Article III, and thereafter shall be refunded to taxpayers as provided by general law. State revenues allowed under this subsection for any fiscal year may be increased by a two-thirds vote of the membership of each house of the legislature in a separate bill that contains no other subject and that sets forth the dollar amount by which the state revenues allowed will be increased. The vote may not be taken less than seventy-two hours~~

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~~after the third reading of the bill. For purposes of this subsection, "state revenues" means taxes, fees, licenses, and charges for services imposed by the legislature on individuals, businesses, or agencies outside state government. However, "state revenues" does not include: revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the state; revenues that are used to provide matching funds for the federal Medicaid program with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of state matching funds used to fund elective expansions made after July 1, 1994; proceeds from the state lottery returned as prizes; receipts of the Florida Hurricane Catastrophe Fund; balances carried forward from prior fiscal years; taxes, licenses, fees, and charges for services imposed by local, regional, or school district governing bodies; or revenue from taxes, licenses, fees, and charges for services required to be imposed by any amendment or revision to this constitution after July 1, 1994. An adjustment to the revenue limitation shall be made by general law to reflect the fiscal impact of transfers of responsibility for the funding of governmental functions between the state and other levels of government. The legislature shall, by general law, prescribe procedures necessary to administer this subsection.~~

SECTION 19. State revenue limitation.—

(a) STATE REVENUE LIMITATION.—Except as provided in this section, state revenues collected in any fiscal year are limited as follows:

(1) For the 2014-2015 fiscal year, state revenues are

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limited to an amount equal to the state revenues collected during the 2013-2014 fiscal year multiplied by the sum of the adjustment for growth plus four one-hundredths.

(2) For the 2015-2016 fiscal year, state revenues are limited to an amount equal to the state revenue limitation for fiscal year 2014-2015 multiplied by the sum of the adjustment for growth plus three one-hundredths.

(3) For the 2016-2017 fiscal year, state revenues are limited to an amount equal to the state revenue limitation for fiscal year 2015-2016 multiplied by the sum of the adjustment for growth plus two one-hundredths.

(4) For the 2017-2018 fiscal year, state revenues are limited to an amount equal to the state revenue limitation for fiscal year 2016-2017 multiplied by the sum of the adjustment for growth plus one one-hundredth.

(5) For the 2018-2019 fiscal year and thereafter, state revenues are limited to an amount equal to the state revenue limitation for the previous fiscal year multiplied by the adjustment for growth.

(6) The adjustment for growth for a fiscal year shall be determined by March 1 preceding the fiscal year using the latest information available. Once the adjustment for growth is determined for a fiscal year, it may not be changed based on revisions to the information used to make the determination.

(b) REVENUES IN EXCESS OF THE LIMITATION.—State revenues collected in any fiscal year in excess of the revenue limitation shall be transferred to the budget stabilization fund until the fund reaches the maximum balance specified in Section 19(g) of Article III, and thereafter shall be used for the support and

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maintenance of public schools by reducing the minimum financial effort required from school districts for participation in a state-funded education finance program, or, if the minimum financial effort is no longer required, returned to taxpayers as provided by general law.

(c) AUTHORITY OF THE LEGISLATURE TO INCREASE THE REVENUE LIMITATION.—

(1) The state revenue limitation for any fiscal year may be increased by a two-thirds vote of the membership of each house of the legislature. Unless otherwise provided by the bill increasing the revenue limitation, the increased revenue limitation enacted under this paragraph shall be used to determine the revenue limitation for future fiscal years.

(2) The state revenue limitation for any one fiscal year may be increased by a three-fifths vote of the membership of each house of the legislature. Increases to the revenue limitation enacted under this paragraph must be disregarded when determining the revenue limitation in subsequent fiscal years.

(3) A bill increasing the revenue limitation may not contain any other subject and must set forth the dollar amount by which the state revenue limitation will be increased. The vote may not be taken less than seventy-two hours after the third reading in either house of the legislature of the bill in the form that will be presented to the governor.

(d) AUTHORITY OF THE ELECTORS TO INCREASE THE REVENUE LIMITATION.—The legislature may propose an increase in the state revenue limitation pursuant to a concurrent resolution enacted by a three-fifths vote of the membership of each house. The proposed increase shall be submitted to the electors at the next

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general election held more than ninety days after the resolution is filed with the custodian of state records. However, the legislature may submit the proposed increase at an earlier special election held more than ninety days after it is filed with the custodian of state records pursuant to a law enacted by the affirmative vote of three-fourths of the membership of each house of the legislature. The resolution must set forth the dollar amount by which the state revenue limitation will be increased. Unless otherwise provided in the resolution, the increased revenue limitation shall be used to determine the revenue limitation for future fiscal years. The proposed increase shall take effect if it is approved by a vote of at least 60 percent of the electors voting on the matter.

(e) REVENUE LIMIT ADJUSTMENT BY THE LEGISLATURE.—The legislature shall provide by general law for adjustments to the state revenue limitation to reflect:

(1) The fiscal impact of transfers of responsibility for the funding of governmental functions between the state and other levels of government occurring after May 6, 2011; or

(2) The fiscal impact of a new federal mandate.

(f) GENERAL LAW IMPLEMENTATION.—The legislature shall, by general law, prescribe procedures necessary to administer this section.

(g) DEFINITIONS.—As used in this section, the term:

(1) "Adjustment for growth" means an amount equal to the average for the previous five years of the product of the inflation factor and the population factor.

(2) "Inflation factor" means an amount equal to one plus the percent change in the calendar year annual average of the

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Consumer Price Index. The term "Consumer Price Index" means the Consumer Price Index for All Urban Consumers, U.S. city average (not seasonally adjusted, current base for all items), as published by the United States Department of Labor. In the event the index ceases to exist, the legislature shall determine the successor index by general law.

(3) "Population factor" means an amount equal to one plus the percent change in population of the state as of April 1 compared to April 1 of the prior year. For purposes of calculating the annual rate of change in population, the state's official population estimates shall be used.

(4) "State revenues" means taxes, fees, licenses, fines, and charges for services imposed by the legislature on individuals, businesses, or agencies outside state government. However, the term "state revenues" does not include: revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the state for bonds issued before July 1, 2012; revenues that are used to provide matching funds for the federal Medicaid program with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of state matching funds used to fund optional expansions made after July 1, 1994; proceeds from the state lottery returned as prizes; receipts of the Florida Hurricane Catastrophe Fund and Citizens Property Insurance Corporation; receipts of public universities and colleges; balances carried forward from prior fiscal years; taxes, fees, licenses, fines, and charges for services imposed by local, regional, or school district governing bodies; or revenue from taxes, fees,

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licenses, fines, and charges for services authorized by any amendment or revision to this constitution after May 6, 2011.

ARTICLE XII

SCHEDULE

SECTION 32. State revenue limitation.—The amendment to Section 1 and the creation of Section 19 of Article VII, revising the state revenue limitation, and this section take effect upon approval by the electors and apply beginning in the 2014-2015 state fiscal year.

BE IT FURTHER RESOLVED that the following statement be placed on the ballot:

ARTICLE VII, SECTIONS 1 and 19

ARTICLE XII, SECTION 32

CONSTITUTIONAL AMENDMENT

STATE GOVERNMENT REVENUE LIMITATION.—This proposed amendment to the State Constitution replaces the existing state revenue limitation based on Florida personal income growth with a new state revenue limitation based on inflation and population changes. Under the amendment, state revenues, as defined in the amendment, collected in excess of the revenue limitation must be deposited into the budget stabilization fund until the fund reaches its maximum balance, and thereafter shall be used for the support and maintenance of public schools by reducing the minimum financial effort required from school districts for participation in a state-funded education finance program, or, if the minimum financial effort is no longer required, returned to the taxpayers. The Legislature may increase the state revenue limitation through a bill approved by a super majority vote of each house of the Legislature. The Legislature may also submit a

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proposed increase in the state revenue limitation to the voters. The Legislature must implement this proposed amendment by general law. The amendment will take effect upon approval by the electors and will first apply to the 2014-2015 state fiscal year.

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The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Rules Committee

BILL:	CS/SJR 958
INTRODUCER:	Budget Subcommittee on Finance and Tax
SUBJECT:	State Government Revenue Limitation
DATE:	February 23, 2011 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Cote	Diez-Arguelles	BFT	**Fav/CS**
2.	Cote	Meyer, C.	BC	**Favorable**
3.	Cote	Phelps	RC	**Favorable**
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

This joint resolution amends Section 1, Article VII and creates Section 19, Article VII and Section 32, Article XII of the Florida Constitution. The joint resolution:

- Replaces the existing state revenue limitation based on Florida personal income growth with a new state revenue limitation based on changes in population and inflation.
- Requires excess revenues to be deposited into the Budget Stabilization Fund, used to support public education, or returned to the taxpayers.
- Adds fines and revenues used to pay debt service on bonds issued after July 1, 2012 to the state revenues subject to the limitation.
- Authorizes the Legislature to increase the revenue limitation by a supermajority vote.
- Authorizes the Legislature to place a proposed increase before the voters, requiring approval by 60 percent of the voters.

The proposed amendment will be submitted to the electors at the general election in 2012 or at an earlier election specifically authorized by law, and, if approved, will take effect upon approval by the electors. The new state revenue limitation will first apply to state fiscal year 2014-15.

II. Present Situation:

In 1994, Florida's voters approved an amendment to the State Constitution[1] that limits state revenue collections to the prior year's allowed revenue plus an adjustment for the growth in the Florida economy, as measured by state personal income.[2] The revenue limit in any year is determined by multiplying the average annual growth rate in Florida personal income in the previous five years by the maximum amount of revenue permitted under the limitation in the previous year. Excess collections are deposited in the Budget Stabilization Fund until it is fully funded and thereafter must be refunded to taxpayers as provided by general law. The Legislature, by a two-thirds vote of the membership of each house, may increase the allowable state revenue for any fiscal year. Such an increase must be in a separate bill that contains no other subject and must set forth the dollar amount by which the state revenues are increased. The Legislature must wait 72 hours after the third reading of the bill before taking a vote.

For purposes of the limitation, "state revenues" are defined as taxes, fees, licenses, and charges for services imposed by the Legislature on individuals, businesses, or agencies outside state government.[3] "State revenues" does not include:

- Revenues necessary to meet bond requirements
- Revenues that provide matching funds for the federal Medicaid program (with the exception of revenues used to support the Public Medical Assistance Trust Fund and revenues used to fund elective expansions to Medicaid made after July 1, 1994);
- Proceeds from the state lottery returned as prizes;
- Receipts of the Florida Hurricane Catastrophe Trust Fund;
- Balances carried forward from prior fiscal years;
- Taxes, licenses, fees, and charges for services imposed by local governments; or
- Taxes, licenses, fees and charges for services required to be imposed by an amendment or revision to the constitution after July 1, 1994.

In addition to the revenues explicitly not included, the definition of state revenues excludes grants from the federal government and other revenues that are not "taxes, fees, licenses, and charges for services imposed by the legislature . . .."

[1] Article VII, Section 1(e), Florida Constitution.

[2] Generally, Florida personal income is a measure of all earnings (wages, salaries, proprietor's income), plus dividends, interest, rent and transfer payments.

[3] Examples of state revenue sources covered by the limitation include auto title and lien fees, beverage licenses, cigarette and other tobacco products tax, corporation fees and income tax, documentary stamp taxes, estate tax, hotel and restaurant licenses and fees, hunting and fishing licenses, insurance premium tax, motor fuels taxes, pari-mutuel tax, pollutant taxes, sales and use tax, severance taxes, and unemployment compensation tax. (See *2010 Florida Tax Handbook* for examples of other state revenue sources, http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2010.pdf)

The constitution requires that in the event there is a transfer of responsibility for the funding of governmental functions between the state and other level of government, an adjustment to the revenue limitation must be made by general law to reflect the fiscal impact of this transfer. [4]

The constitution also requires the legislature to adopt procedures necessary to administer the revenue limitation by general law; however, such legislation has not been enacted.

Impacts of the Constitutional Revenue Limitation

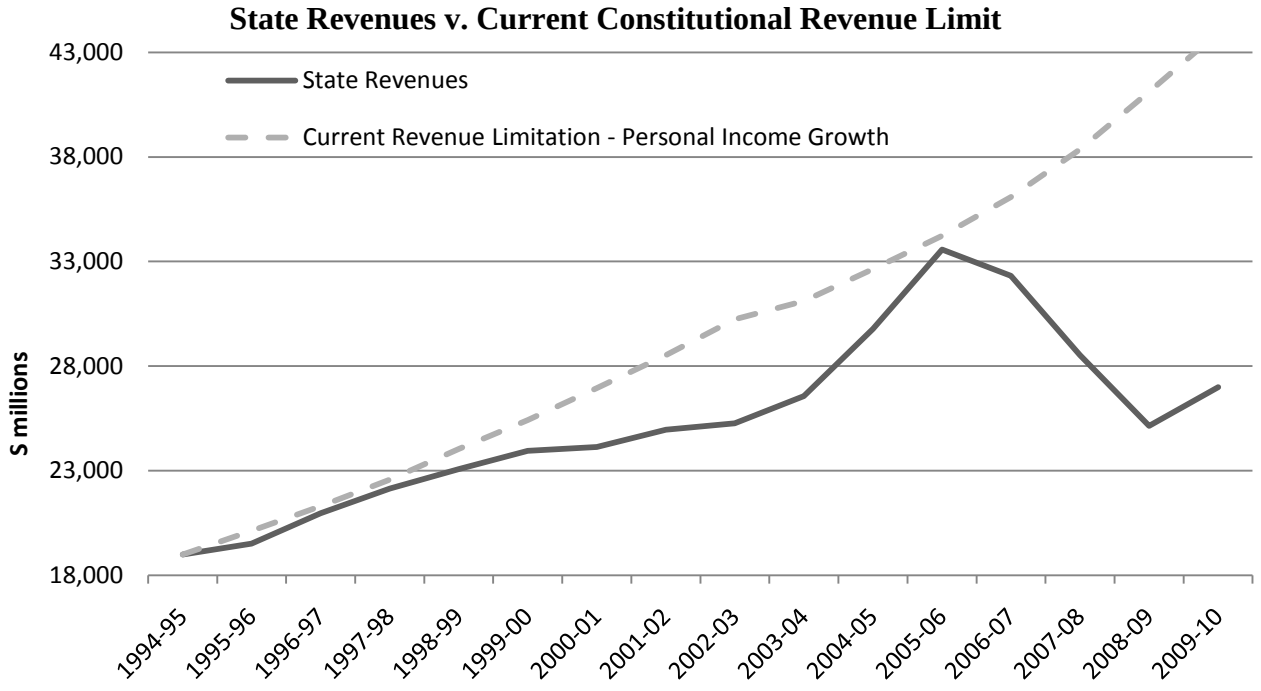
In the first few years after the adoption of the constitutional revenue limitation, state revenue collections were close to the constitutional limitation. Since that time, however, revenues subject to the limitation have generally grown more slowly than personal income. The only other year revenues came close to the limitation was in 2005-2006 when state revenues came within $658m of the limitation.

Since 1999, the Florida Legislature has enacted several measures to reduce state revenue. For example, the intangibles tax, sales and use tax, beverage tax, corporate income tax, and pari-mutuel tax have all been reduced by the Legislature. Additionally, changes in federal law have caused a reduction in estate tax revenue. These changes in tax laws have contributed to the widening gap between state revenues and the revenue limit.

Finally, the effects of the recent recession have also contributed to the widening gap. The gap is not expected to narrow in the foreseeable future.

The following chart displays the history of the current revenue limitation.

[4] In 2002, the Legislature removed State University System revenues from the definition of "state revenues." See Chapter 2002-387, Laws of Florida.



Tax and Expenditure Limits in Other States

Thirty states currently have some kind of limit on taxes or expenditures.[5] These limits are designed to restrain growth in government spending by placing constitutional or statutory restrictions on the amount government can spend or on the amount of revenue government can raise. Generally, they fall into one of the categories described below:

- Revenue limits which tie yearly increases in revenue to personal income or some other type of measure such as inflation or population;
- Expenditure limits similarly linked to personal income or another growth index;
- Appropriations limited to a percentage of the revenue estimate;
- Voter approval requirements for all tax increases over a specified amount; or
- Legislative supermajority requirements for a two-thirds, three-fourths, or four-fifths majority vote in both chambers to pass a tax increase or new taxes.
- Some states have combined components of these types of limits.

In terms of limiting budgets, results from studies are mixed. Many studies conclude that the state limits have not been as effective as proponents envisioned because of the ease with which state governments can circumvent the limits. Some fiscal policy experts agree that voter approval and supermajority requirements place tighter constraints on state governments than other revenue and expenditure limits.

[5] This discussion of other state limitations is largely adapted from *State Tax and Expenditure Limits 2008*, National Conference of State Legislatures, http://www.ncsl.org/default.aspx?tabid=12633.

Revenue Limitation in Colorado

In 1992, Colorado voters passed what some consider the most restrictive revenue limitation in the nation.[6] The Colorado law applies to all taxing districts within the state and voter approval is required to approve any tax increase. Additionally, the Colorado revenue limitation restricts general revenue to the prior year's revenues adjusted for population growth and inflation. Since the limit is based on prior year's revenues rather than the prior year's revenue limitation, any decline in revenues due to a recession leads to a permanent ratcheting down of spending levels. After the recession in the early 2000s, the ratcheting down effect held the revenue base at recessionary levels. In 2005, Colorado voters suspended the revenue limitation for a period of five years to ease existing limits and allow the budget to recover and move forward.

III. Effect of Proposed Changes:

This joint resolution proposes an amendment to the Florida Constitution that replaces the current state revenue limitation with a new limitation. The major changes are:

- the use of personal income in the growth factor is replaced with a growth factor based on population and inflation;
- the base year is updated to Fiscal Year 2013-14;
- the definition of "state revenues" subject to the limitation is expanded to include fines and revenues used to pay debt service for bonds issued by the state after July 1, 2012; and
- the definition of "state revenues" subject to the limitation is revised to explicitly exclude receipts of Citizens Property Insurance Corporation, public universities and colleges.

State Revenue Limitation

Section 19 of Article VII of the State Constitution is created and limits state revenues in any fiscal year as follows:

- For the 2014-2015 fiscal year, to an amount equal to the state revenues collected during the 2013-2014 fiscal year multiplied by the sum of the adjustment for growth plus four one-hundredths.

- For the 2015-2016 fiscal year, to an amount equal to the state revenues collected during the 2014-2015 fiscal year multiplied by the sum of the adjustment for growth plus three one-hundredths.

- For the 2016-2017 fiscal year, to an amount equal to the state revenues collected during the 2015-2016 fiscal year multiplied by the sum of the adjustment for growth plus two one-hundredths.

[6]See, e.g., McGuire, Therese and Kim Rueben. 2006. "The Colorado revenue limit: The economic effects of TABOR." Washington, DC: Economic Policy Institute Briefing Paper No. 172, http://www.epi.org/publications/entry/bp172/.

- For the 2017-2018 fiscal year, to an amount equal to the state revenues collected during the 2016-2017 fiscal year multiplied by the sum of the adjustment for growth plus one one-hundredth.

- For the 2018-2019 fiscal year and thereafter, state revenues are limited to an amount equal to the state revenue limitation for the previous fiscal year multiplied by the adjustment for growth.

The "adjustment for growth" is defined as an amount equal to the average for the previous five years of the product of the inflation factor and the population factor. The "inflation factor" is defined as an amount equal to one plus the percent change in the calendar year annual average Consumer Price Index for All Urban Consumers, U.S city average, as published by the United States Department of Labor. Finally, the "population factor" is defined as an amount equal to one plus the percent change in the population of the state as of April 1 compared to April 1 of the prior year.

The adjustment for growth must be determined by March 1 preceding the applicable fiscal year using the latest available information, and once determined, may not be changed based on revisions to such information.

Like the current limitation, the proposed limitation does not apply to all revenues received by the state. The limitation applies only to revenues generally considered to be within the Legislature's control and used to fund state expenditures. "State revenues" are defined to mean taxes, fees, licenses, fines, and charges for services imposed by the legislature on individuals, businesses or agencies outside state government. "State revenues" does not include:

- Revenues necessary to meet bond requirements set forth in documents authorizing the issuance of bonds by the state for bonds issues prior to July 1, 2012;
- Revenues that provide matching funds for the federal Medicaid program (with the exception of revenues used to support the Public Medical Assistance Trust Fund and revenues used to fund optional expansions made after July 1, 1994);
- Proceeds from the state lottery returned as prizes;
- Receipts of the Florida Hurricane Catastrophe Trust Fund and Citizens Property Insurance Corporation;
- Receipts of public universities and colleges;
- Balances carried forward from prior fiscal years;
- Taxes, licenses, fees, fines and charges for services imposed by local, regional or school district governing bodies; or
- Taxes, licenses, fees, fines and charges for services authorized by an amendment or revision to the constitution after May 6, 2011.

Revenues in Excess of the Limit

State revenues collected for any fiscal year in excess of the revenue limitation are transferred to the Budget Stabilization Fund until the fund reaches its maximum balance as provided in Article

III, Section 19(g) of the Florida Constitution[7]. Thereafter, excess revenues must be used for the support and maintenance of public schools by reducing the minimum financial effort required from school districts for participation in a state-funded education finance program, or, if the minimum financial effort is no longer required, returned to taxpayers as provided by general law.

Authority of the Legislature to Increase the Revenue Limitation

The Legislature has two options to increase the state revenue limitation:

1) The Legislature, by a two-thirds vote of the membership of each house, may increase the revenue limitation for any fiscal year. Unless otherwise provided by the bill increasing the revenue limitation, the increased revenue limitation shall be used to determine the revenue limitation for future fiscal years.

2) The Legislature, by a three-fifths vote of the membership of each house, may increase the allowable state revenue for any one fiscal year. Increases to the revenue limitation by a three-fifths vote must be disregarded when determining the revenue limitation in subsequent fiscal years.

A bill increasing the revenue limitation must contain no other subject and set forth the dollar amount by which the state revenue limitation is increased. The vote may not be taken less than 72 hours after the third reading in either house of the legislature of the bill in the form that it will be presented to the Governor before taking a vote.

Authority of the Voters to Increase the Revenue Limitation

The Legislature may place before the voters a measure to increase the state revenue limitation by a concurrent resolution approved by a two-thirds vote of the membership of each house. The measure must set forth the dollar amount by which the state revenue limitation will be increased and must be approved by a vote of at least 60 percent of the electors voting on the measure in a general election. Unless otherwise provided by the ballot language presented to the voters, the increased revenue limitation must be used to determine the revenue limitation for future fiscal years.

Revenue Limit Adjustment by the Legislature

The Legislature must provide by general law for adjustments to the state revenue limitation to reflect the fiscal impact of transfers of responsibility for the funding of government functions between the state and other levels of government occurring after May 6, 2011 or the fiscal impact of a new federal mandate.

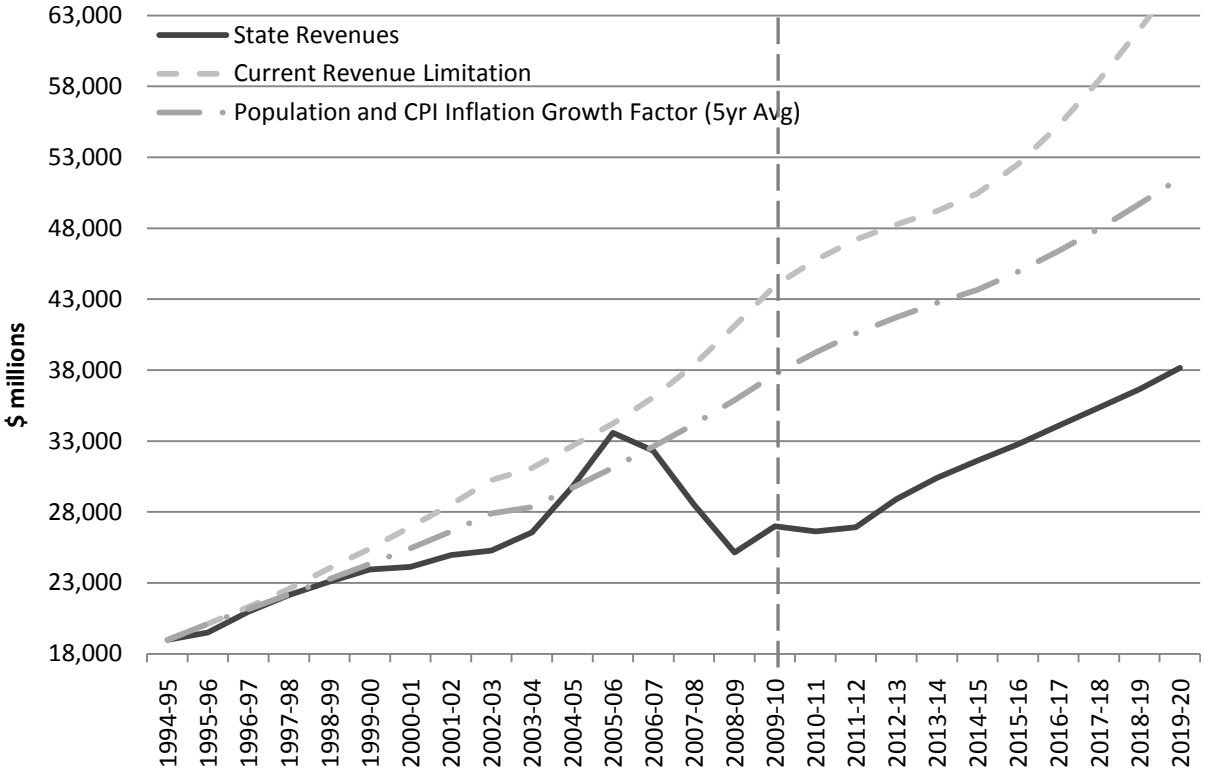
[7] Ten percent of the last completed fiscal year's net revenue collections for the General Revenue Fund.

Likely Impacts of Proposed Constitutional Amendment

Over time, the proposed state revenue limitation is more likely to constrain growth in state revenues than the current limitation.

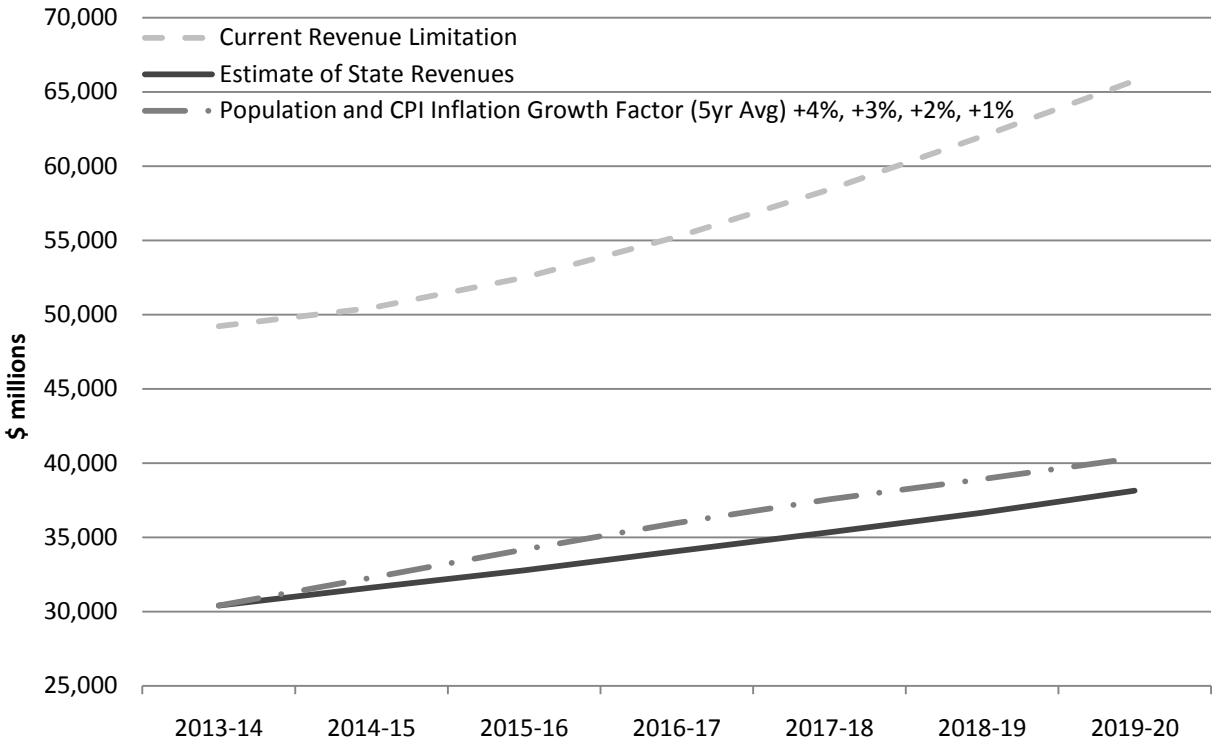
The limitation adopted by the voters in 1994 does not appear to have worked as a meaningful limitation on state revenues. Revenue growth since that time has lagged behind growth in the state's economy. If the adjustment for growth proposed in this CS/SJR 958 had been in effect since 1994, all other things being equal, state revenues would have exceeded the revenue limitation in fiscal years 2004-05 and 2005-06, as shown on the following chart.

Current vs. Proposed Growth Factors
starting with 1994-95 base year



Based on the most current revenue projections and estimates of near term growth in population and inflation, the proposed revenue limitation is expected to exceed the amount of state revenues subject to the limitation at least until fiscal year 2019-2020, as shown on the following chart. These projections will change based on new estimates of revenues, population, and the consumer price index.

Current vs. Proposed Revenue Limitation starting with 2013-14 base year[8]



Population and CPI Inflation Growth Factor (5yr Avg.) +4%, +3%, +2%, +1%							
		4%	3%	2%	1%		
Base Year 2013-14	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Estimate of State Revenues	30,399	31,619	32,766	34,067	35,348	36,655	38,145
Adjustment for growth		1.0617	1.0589	1.0522	1.0443	1.0363	1.0365
Revenue Limit	30,399	32,276	34,178	35,962	37,556	38,918	40,340
Revenues (Over) or Under the Limit		657	1,413	1,895	2,208	2,263	2,194

[8] "State revenues" shown on this chart and graph are state revenues covered under the current limitation and do not include fines or revenues used to pay debt service for bonds issued by the state after July 1, 2012. The inclusion of these additional revenues is not expected to materially affect the general shape of state revenues. State Medicaid expenditures excluded from state revenues are based on the estimated percentage growth between FY 2012-13 and FY 2013-2014 remaining constant into the future. The Medicaid expenditure estimate does not include the impact of federal health care reform legislation.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

B. None. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

Section 1, Article XI of the State Constitution, authorizes the Legislature to propose amendments to the State Constitution by joint resolution approved by three-fifths vote of the membership of each house. The amendment must be placed before the electorate at the next general election held 90 days after the proposal has been filed with the Secretary of State's office, or at an earlier special election, if approved by a law enacted with a three-fourths vote of the membership of each house of the legislature.

Section 5(e), Article XI of the State Constitution, requires 60 percent voter approval for a constitutional amendment to take effect. If approved by 60 percent of the electors voting on the measure in the next general election, the amendment will take effect upon approval.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The provisions of this joint resolution will restrict the ability of state government to raise taxes, licenses, fees, fines, or charges for services and limits the use of revenues received in excess of the constitutional limitation.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Division of Elections of the Department of State (division) is required to publish the proposed constitutional amendment twice in a newspaper of general circulation in each county. The average cost per word to advertise an amendment is $106.14 according to the division.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Budget Subcommittee on Finance and Tax on February 17, 2011:
The CS makes two technical changes:

- Replaces the phrase "community colleges" with "public colleges".
- Replaces the term "percentage point" with the term "one-hundredths" to reflect proper form.

The CS also clarifies the language of the ballot summary statement that explains the use of revenues in excess of the limit. This language parallels the language in the bill.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



Usage Flexibility for Local Option Sales Taxes

Local Option Sales Taxes

Draft 2027 Priority Statement – Under Development

Status: The Florida League of Cities SUPPORTS legislation which expands sales surtax revenue authorized uses and maintains local authority over sales surtaxes to ensure responsible budgeting and conservative fiscal management. State restrictions undermine predictability, complicate debt obligations, and increase burdens on property taxpayers." *(Issue submitted by Commissioner Cassidy, Ocean Ridge).*

Provide Greater Flexibility in the Use of Existing Local Revenue Sources

As the Legislature considers further limitations on property tax revenues, it should also examine the statutory restrictions placed on other revenue sources already available to municipalities.

Many local revenue sources are narrowly restricted as to how they may be used. For example, impact-fee revenues generally must be used for eligible capital facilities necessitated by new development, while local-option fuel-tax revenues are restricted primarily to transportation-related expenditures. Although these restrictions serve legitimate policy purposes, they can leave municipalities with available funds in one category while facing significant financial pressures in another.

The Legislature should consider providing municipalities with greater flexibility in the use of certain existing revenue sources, particularly when local governments are simultaneously being asked to operate with reduced or constrained property-tax revenues.

This could include broadening the categories of eligible expenditures, allowing a limited percentage of certain restricted revenues to be used for closely related operating or infrastructure costs, or providing additional flexibility when municipalities can demonstrate that the underlying purpose for which the revenue was collected has been adequately funded.

Providing greater flexibility would not necessarily require the creation of new taxes or fees. Instead, it would allow municipalities to make more efficient use of revenues they already collect and to respond to the differing needs and priorities of their communities.

Possible approaches:

- Broaden the categories of eligible expenditures for certain restricted revenues.
- Allow a limited percentage of certain restricted revenues to be used for closely related operating or infrastructure costs.
- Provide additional flexibility once a municipality can demonstrate the underlying purpose the revenue was collected for has been adequately funded.

Trend for the Policy Committee – FLC Staff

Across three sessions, the Legislature's posture toward local option sales taxes has shifted from process tightening (2024) toward giving governing bodies new authority to unwind existing surtaxes without a public vote (2025), while a 2026 effort to expand permitted surtax uses for cities' benefit stalled. The two-thirds repeal authority enacted in 2025 is now law and is the item most likely to affect city revenue planning going forward. The 2033 mandatory-reauthorization framework and TDT restructuring that failed in 2025, and the body-camera use expansion that failed in 2026, are all strong candidates to be refiled in 2027 — likely alongside the broader property tax reform debate, which is why the Committee's draft revenue-flexibility priority (above) is a timely companion position for the committee to consider.

Florida Legislative Activity, 2024–2026 Sessions

2024 Regular Session

CS/HB 7073 Taxation (tax package)

Sponsor: House Ways & Means Committee / Rep. McClain | Companion: CS/CS/SB 328

PASSED — CHAPTER 2024-158, L.O.F.

What it did: A broad annual tax package that included several discretionary-sales-surtax provisions: it required the Indigent Care and Trauma Center Surtax to be levied only by voter referendum (closing the prior option to adopt it by extraordinary vote of the county commission); created a procedure to temporarily suspend a surtax in a county where a court has found it unconstitutional, rather than triggering an immediate revenue disruption; and required that an ordinance levying the Local Option Food and Beverage Tax in Miami-Dade County be approved by a majority of voters in a referendum.

Outcome: Signed by the Governor May 7, 2024; effective July 1, 2024.

Impact to cities:

- Narrow, process-focused changes — no rate or revenue impact for existing surtaxes.
- Reinforces voter-referendum as the exclusive path for the trauma-care surtax, removing a commission-only option some counties could otherwise have used.
- Gives counties a statutory off-ramp if a surtax is struck down in court, protecting bonded or committed surtax revenue from an abrupt cutoff.

2025 Regular Session

CS/CS/HB 1221 / CS/CS/SB 1664 Local Option Taxes

Sponsors: Rep. Miller / Rep. Basabe (House); Sen. Trumbull (Senate)

DIED AS FILED — KEY PROVISION ENACTED VIA HB 7031 (CH. 2025-208)

What it did (as introduced): Both bills proposed requiring voter approval by referendum — rather than adoption by ordinance — to adopt or renew local option taxes and surtaxes, with limited exceptions for previously authorized bond indebtedness. As filed, the bills would have required: tourist development taxes in effect as of June 30, 2025, to be renewed by referendum-approved ordinance by January 1, 2033, and in 8-year increments thereafter; local option food and beverage taxes to expire 8 years after enactment, renewable only by referendum in 8-year increments; and discretionary sales surtaxes in effect as of June 30, 2025, to be renewed the same way, by January 1, 2033, and in 8-year increments thereafter. FLC's concern was that these changes would limit local government flexibility in maintaining revenue sources essential for community services and infrastructure.

How the bills evolved:

- Both bills were amended to clarify the new referendum-renewal requirement applies only to discretionary sales surtaxes already required by existing law to be approved by referendum, and to prescribe required content for renewal ordinances and ballot questions.

- CS/CS/SB 1664 was further amended to grandfather in existing levies whose expiration dates already exceed 8 years, and to let local governments set their own expiration date (beyond 8 years) for future levies — provided any new or renewal levy still goes to referendum.
- CS/CS/HB 1221 was amended to set a July 1, 2025 expiration for existing tourist development tax (TDT) commitments (projects, contracts, and bonds) and to let counties use TDT revenue for any public purpose after that date, subject to a formula requiring a proportional reduction in county property tax levies. The same amendment sunset Tourism Development Councils as of July 1, 2025 (reconstitutable after December 31, 2025, by county commission resolution) and added the authority for county elected boards to reduce or repeal a discretionary sales surtax after October 1 of the fourth year of the levy — without a new referendum.

Outcome: CS/CS/HB 1221 and CS/CS/SB 1664 both died in Senate Appropriations on June 16, 2025, after League opposition. Despite that, the late-session amendment authorizing a levying body to reduce or repeal an existing discretionary sales surtax by two-thirds vote (beginning in the tax's fourth year) was carried into the omnibus tax package HB 7031 and enacted as Chapter 2025-208. The broader 2033 mandatory-renewal and 8-year sunset framework for surtaxes, TDT, and food/beverage tax did not make it into the enacted law.

Impact to cities:

- This is the most consequential change for cities in the three-year window: a county commission (or school board) can now vote, by two-thirds majority and without going back to voters, to reduce or repeal a discretionary sales surtax once it has reached its fourth year (repeal authority effective October 1 of that year).
- Creates funding-certainty risk for infrastructure surtax revenue that cities rely on through interlocal distribution agreements — a future commission could scale back or end the levy administratively, even though voters originally approved it.
- Complicates long-term capital planning and bond covenants tied to surtax revenue streams, since the repeal option now exists independent of the referendum that created the tax.
- The 2033 reauthorization/8-year sunset framework, and the TDT-to-general-revenue/property-tax-offset concept, did not pass in 2025 but reflect the direction of legislative interest and are worth monitoring for 2027, alongside the League's continued opposition to mandatory-referendum-renewal models.

2026 Regular Session

CS/HB 1077 / CS/SB 1102 Funding for Body Cameras

Sponsors: Rep. Holcomb (House); Sen. Massullo (Senate)

DIED — HOUSE STATE AFFAIRS, MARCH 13, 2026

What it did: Would have expanded the allowable uses of the Local Government Infrastructure Surtax by broadening the statutory definition of “infrastructure” to include the equipment, software, and data storage necessary for law enforcement body cameras. For counties already levying the surtax, the new use would have applied only if the original levying referendum (or a subsequent referendum) had contemplated it.

Outcome: Passed House Ways & Means (18-0) and Intergovernmental Affairs (15-0) unanimously, but died in State Affairs on March 13, 2026, and its Senate companion did not advance further either.

Impact to cities:

- Would have been a favorable, low-controversy change — letting cities and counties apply existing infrastructure surtax dollars to a rising operational cost (body cameras) without a new tax or new referendum, where already authorized.

- Its failure means cities facing state or local body-camera mandates must continue to fund equipment from general revenue or seek new referendum language, rather than tapping infrastructure surtax proceeds already being collected.
- A companion, non-surtax bill this session — CS/HB 103/SB 650, which would have repealed the local business tax (ch. 205, F.S.) — also died in Senate Appropriations (3/13/2026), part of the same broader push to curb local discretionary revenue..



Zero Based Budgeting

MEMORANDUM

ZERO-BASED BUDGETING — SYNTHESIS BRIEFING (REV. 4)

TO: Casey Cook, Chief of Legislative Affairs, and the FLC Legislative Affairs Team
FROM: Charles T. Chapman IV, ICMA-CM
DATE: September 8, 2026
RE: Zero-Based Budgeting — Synthesis Briefing

THE BOTTOM LINE

The DOGE/JMI handbook overstates its case, leans on unverifiable figures from a single unnamed source, and asks Florida cities to rebrand practices many already perform under §166.241, §§218.32–.33, city charters, and GFOA best practice. Full, annual, organization-wide ZBB has failed everywhere it has been tried at scale for fifty years, including by the state that invented it — and GFOA's own 2020 research states plainly that "textbook" ZBB is almost unheard of in local government today. Three independent sitting CFOs reached substantially the same conclusion without prompting from this office. The League should not endorse rotating ZBB as a uniform standard — support cities adopting individual ZBB tools only where a specific gap in their current process warrants it.

PRACTITIONER REVIEW — THREE SITTING FLORIDA CFOS

Solicited independently and without coordination with each other or with this office, all three reached conclusions consistent with our internal analysis — and several went further:

- **Darrel Thomas, Assistant City Manager/CFO, City of Weston:** ZBB fits better as a periodic strategic financial plan exercise than an annual budget requirement; public safety dominates city budgets and will not be "defunded," so real scrutiny reaches only a minority of spending — the same dynamic that ended federal ZBB once Social Security, Medicare, and debt service (52% of the federal budget) proved undefundable.
- **Stephen Okiye, City of Port St. Lucie:** Many ZBB-associated practices — forecasting, strategic priorities, service-level review, performance measures — are already standard practice under §166.241(2), §218.33(2)–(3), §218.32, and §218.39, F.S. Formal ZBB adoption is a recurring annual commitment, not a one-time fix, and should be justified against an identified gap rather than adopted reflexively.
- **Lori Houghton, Finance Director, City of Tavares:** The handbook's framing presumes Florida cities aren't already scrutinizing spending; it ignores Florida-specific realities (hurricane readiness, coastal/inland cost variance); it conflates county and municipal missions; and Chapters 6–10 would require additional staffing for smaller cities despite the handbook's claim otherwise — independent corroboration of our own small-city fiscal finding.

WHERE WE AGREE WITH JMI/DOGE

- **Capital projects should disclose full lifecycle operating cost before approval:** Sound practice on its own merits, independent of ZBB adoption.
- **Programs with no performance measures deserve review:** A budgeting-method-agnostic accountability floor every member city can support.

- **A rotating review of a portion of programs can be a reasonable tool where a city identifies a genuine need for it:** But formal adoption should be gap-driven, city by city — see Recommended Position, below.
- **Fair point in the handbook's favor:** GFOA's own research documents a genuine benefit — participants report more cost-conscious managers and deeper budget-to-department dialogue. Worth conceding directly rather than only citing this source for its weaknesses.

A. LEGAL EXPOSURE

- **Chapter 166:** Voluntary adoption doesn't conflict with §166.241(2)'s requirement that spending follow the adopted budget, but the handbook's task-force/ranking-committee model blurs who is statutorily accountable for the tentative budget.
- **Home Rule:** Not currently threatened by voluntary adoption — but Georgia's statutory precedent and a failed 2026 Georgia ZBB mandate bill are the potential templates for a 2027 Florida bill converting "should" into "shall."
- **Ch. 218 (Uniform Accounting, Reporting, Audit):** §218.33(2)–(3) already requires uniform accounting practices and internal controls; §§218.32 and 218.39 already establish financial-reporting and audit requirements — all method-agnostic. No crosswalk exists between ZBB's program structure and the Florida Department of Financial Services chart of accounts those provisions rest on; cities would run a shadow cost structure alongside the mandatory Annual Financial Report. In short, cities would have to develop two budgets: one for ZBB and one in compliance with UAS creating a duplication in bureaucratic functions.
- **Constitutional Officers:** County authority over an independent officer's budget is generally limited to the total appropriation, not line items. Literal ZBB ranking of a Sheriff's or other constitutional officer's submission invites a separation-of-powers challenge between constitutional officers and BOCC's.
- **Elected-official displacement:** GFOA's own 2020 published research warns that ZBB shifts substantive prioritization to staff: under the zero line-item variant, elected officials are pulled into operational-level detail rather than the strategic/policy questions they're suited for; under the service-level variant, they largely react to staff-produced rankings. Whether those rankings reflect community priorities depends on how well staff translated officials' priorities into the decision packages.

B. FISCAL EXPOSURE — SMALL AND MID-SIZE CITIES

- **Every handbook feasibility claim is a large-institution case study:** Georgia's OPB, the Texas legislature, and a 23-department Houston — none resembles a lean-staffed small city with no budget office to delegate the ZBB activities to.
- **Five specific implementation actions carry a consultant or technical-assistance flag:** Program inventory build, loaded personnel-cost modeling, UAS reconciliation, training/facilitation, and capital lifecycle costing — a small city very likely cannot do these with existing staff. Independently confirmed by Director Houghton's review of Chapters 6–10: the added workload is real regardless of the handbook's claim otherwise.
- **Recurring costs, not just startup costs:** The 20–25%/year rotation, AI/software tooling (state has not clarified whether it's provided or must be purchased), dashboard reporting, and a third annual public hearing all compound costs every year.
- **Clean advocacy ask:** Tie any filed legislation to a DEO/Commerce-style technical assistance grant, triggered by a population or budget threshold.

C. EVIDENTIARY RECORD — CONFLICTS WITH ACADEMIC RESEARCH

- **Fifty-year pattern:** Georgia (1973), the federal government (1977–81), Wilmington DE & Garland TX (1970s), and Idaho (2010s) all adopted full ZBB and abandoned or substantially walked it back.
- **This is not just history — GFOA says it is still true today:** GFOA's own 2020 published research states plainly that "textbook" ZBB — the full theoretical model — is almost unheard of in local government today; what governments actually run are streamlined, modified versions. GFOA saying this in its own words, independent of this record, is exactly what the fifty-year pattern above shows.
- **Most of a budget was never actually zero to begin with, and this is not just a Florida observation:** At the federal level, Social Security, Medicare, and debt service alone are 52% of the budget and were never realistically "zero-basable" (U.S. Treasury Fiscal Data) — the same structural problem CFO Thomas identifies for public safety in a Florida city budget.
- **Every durable example is scoped:** Every durable example on record is the scoped/rotating version — Georgia's 2012–20 rotating model, Hillsborough and Manatee County, GFOA's Orangeville case, and Texas S.B. 1315 (a full review once every 12 years) — not full annual ZBB.
- **Gaming behavior is the best-documented finding in the literature, and the handbook never engages it:** Peer-reviewed literature (Hayes 1988, Abacus; Schick & Hatry via Shelby 2013; Lauth's 1980 interviews with Georgia's own budget staff) documents ZBB reliably produces token, symbolic cuts rather than genuine reprioritization. Zero peer-reviewed studies appear anywhere in the handbook's 20+ item bibliography.
- **Direct review of the GFOA/Kavanagh 2011 report CFO Okiye referenced cuts against the handbook's own use of it:** Its 413-government survey (±3.5% at 90% confidence) found almost a third of respondents had not seriously examined ZBB at all. The handbook's "administrative burden is rarely cited as an important problem" claim draws on a pool where a large share of respondents have no real implementation experience to judge burden by — and the 2020 piece adds the likely explanation: burden is rarely cited because almost no one runs the full, paperwork-heavy version of ZBB.
- **The handbook's Question 4 ("could this be delivered more cost-effectively... alternative provider, consolidation, or restructuring") is weaker in practice than on paper:** GFOA's applied research finds this rarely happens in practice even where ZBB claims to invite it — departments assembling justification packages under deadline pressure default to defending the status quo rather than genuinely exploring alternatives, because the process is managerially driven and most managers believe their program should continue.
- **The value-added case is weaker than advertised:** ZBB did not create long-term forecasting, strategic-priority alignment, service-level tiers, or performance measurement — Florida cities already practice these, per CFO Okiye, without needing to adopt the label. This directly undercuts the handbook's core premise that Florida cities are starting from a deficient baseline.

D. INTERNAL CONTRADICTIONS IN THE HANDBOOK ITSELF

- **Title promises annual re-justification of "every dollar";** Its own shaded Chapter 2 recommendation asks for a one-time inventory plus a 20–25%/year rotation — a materially smaller ask than the marketing.
- **The single sharpest contradiction in this record:** GFOA's framework identifies three questions a budget process can answer: whether to fund a service at all, how much/what quality to provide, and how efficiently it's delivered. Kavanagh's published research places ZBB's real value almost entirely in the second and third questions, and states it does not directly address the first — which is precisely the question the handbook opens with ("no program gets a free pass... should we fund this at all?"). By its own primary methodological source's account, the tool isn't well suited to the question it's being sold to answer.

- **Georgia is cited as an "operating continuously" success story;** The statute lapsed in 2020 and a 2026 renewal bill failed in the Georgia Senate — "continuous" ended six years ago.
- **One source is doing nearly all of the persuading:** Nearly every dramatic figure ($113M saved, 37% salary increases, ~60 "ghost" positions, $270M raise pool) traces to one unnamed county's internal report, repeated across five-plus chapters as if independently corroborated.
- **A specific, checkable inconsistency:** That county's $387M shortfall figure is identical to the figure the handbook separately and by name attributes to Miami-Dade County elsewhere in the same document — worth raising directly with DOGE before citing any of these numbers publicly.
- **Chapter 20, "Answering Six Objections,"** Never addresses the one objection the academic record actually supports — that ZBB induces the gaming behavior it claims to eliminate.
- **The Justification Gauntlet, turned on the handbook's own recommendation:** The handbook's own Five Questions ask whether a program is legally mandated, has measurable outcomes, is meeting them, could be delivered more cheaply another way, and would be created today if it didn't exist. Applied to the ZBB program itself, a city already meeting §166.241/§218.32–.33 requirements and GFOA best practice has a live Question 5 process of its own without the need for an additional ZBB justification process.
- **Diminishing returns is not just a CFO's intuition — it's GFOA's own documented finding:** GFOA's own report recommends a sunset provision because it found diminishing returns when comprehensive reviews are repeated in consecutive years — the exact concern Director Houghton raised independently. That finding applies with equal force to a 20–25%/year rotation run in perpetuity.

E. FLORIDA-SPECIFIC STRUCTURAL GAPS THE HANDBOOK MISSES

- **Hurricane and disaster readiness:** Florida cities must maintain standby capacity — staffing, equipment, contracts — for hurricane response year-round. ZBB's utilization metrics (e.g., flagging systems under 70% license use, target attorney-utilization bands) would flag exactly this kind of necessary redundancy as waste. Disaster-readiness capacity appears nowhere in the handbook's Four-Tier Framework.
- **Coastal vs. inland budget variance:** Insurance, beach renourishment, stormwater, and storm-hardening costs are not comparable between a coastal and an inland city, let alone across states. The handbook's national case studies and cross-jurisdictional dollar comparisons don't control for this.
- **Counties and municipalities have different missions, not just different vocabularies:** Independently validated in the CFO review: the handbook is written almost entirely in county vocabulary (constitutional officers, county attorney's office) with no translation to municipal structures — and the missions themselves differ (counties: social services; cities: recreation and economic development), so the same scrutiny framework may not transfer cleanly.
- **Recruitment/retention risk (Ch. 17):** Beyond the Chapter 447 bargaining exposure already flagged for eliminated positions, a standing "justify your position every cycle" model risks becoming a recruitment and retention deterrent for every position, not just those on the chopping block.

RECOMMENDED POSITION

- **Do not recommend wholesale rotating-ZBB adoption:** Support cities adopting individual ZBB tools — decision packages, service-level tiers, focused program reviews — only where a city identifies a specific gap in its existing process. Do not endorse rotating ZBB as a uniform League standard; it is a recurring compliance commitment with GFOA's own documented diminishing-returns problem, not a low-cost given.
- **Push back on the handbook's framing that Florida cities are presumptively deficient:** Three sitting CFOs confirm existing practices — grounded in §166.241, §§218.32–.33, city charters, and GFOA best practice — already deliver the outcomes ZBB claims to add.

- **Lead with the "should we fund this at all" gap where useful in testimony:** GFOA's own research says the tool doesn't answer that question in the first place — an easy, source-backed way to reframe the debate away from the handbook's chosen ground.
- **Endorse the capital-project affordability / lifecycle-cost disclosure requirement:** Independent of any ZBB decision — sound practice on its own.
- **Require performance measures for every program that lacks them:** On a fixed timetable, regardless of budgeting method chosen.
- **Oppose full, annual, organization-wide ZBB as a legislative mandate:** The fifty-year record does not support it, and it is not what DOGE's own handbook recommends once Chapter 2 is read past the title.
- **If legislation is filed anyway, press for a technical assistance / implementation grant program:** Population/budget-threshold triggered, attached to any filed legislation, to protect small member cities from an unfunded mandate.
- **Ask Florida DOGE to name the anonymized county and the author of its "Independent Budget Analysis"** Before citing any handbook figure publicly.

~END OF MEMO~

Additional analysis materials available upon request.

EXECUTIVE OFFICE OF THE GOVERNOR
DEPARTMENT OF GOVERNMENT EFFICIENCY

The JAMES MADISON INSTITUTE
Trusted Solutions for a Better Florida

EVERY DOLLAR JUSTIFIED

A Zero-Based Budgeting Handbook for Local Governments

Restoring Fiscal Discipline and Taxpayer Accountability in Your Community

"The question is not whether your government can afford zero-based budgeting. The question is whether your taxpayers can afford anything less."

Prepared in partnership by Florida DOGE and The James Madison Institute • 2026

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Executive Summary

Zero-based budgeting (ZBB) is widely recognized as one of the tools that enables organizations, both public and private, to reset their expenses and spending actions to better align with their organizational objectives and strategic priorities. In the private sector, zero-based budgeting is particularly recommended for organizations with burgeoning administrative overhead, those that have seen rapid growth in expenses, and those that face expected changes in their revenue or business environment. Florida's local governments fit into all of these categories, and so the Florida Department of Government Efficiency (DOGE) team, along with Florida's Chief Financial Officer Blaise Ingoglia, have encouraged local governments to adopt a zero-based budgeting approach.

Indeed, Florida's local governments stand at a crossroads. While Florida's economic growth, business friendliness, education system, and overall amenities are a beacon to all Americans, so too has the issue of affordability risen in importance to Floridians. Families, seniors, and essential workers face challenges as property values rise, pushing property tax burdens higher. In response, Governor Ron DeSantis proposed bold reforms, rooted in his understanding that property taxes are a cost lever that is fully in the control of the government to change. Reforms to the property tax system will mean a change to the soaring property tax revenues that Florida's cities and counties have relied on for practically unconstrained general fund spending.

Most local governments still use incremental budgeting. They start with last year's spending and simply add or subtract a small percentage. This approach is straightforward, but it is also flawed. It creates incentives to spend every dollar every year and tends to keep outdated programs alive. This approach also conceals inefficiencies and leads to bias in today's decisions towards perpetuating decisions made in the past.

Zero-based budgeting takes a different, more disciplined path. It does not mean zero services, nor does it require cutting police or fire protection. It means that every program, every line item, and every dollar must justify its existence — not because it was in last year's budget, but because it serves a demonstrable public purpose today.[1] Government officials must justify every dollar as if the budget starts at zero. Departments build budgets from the ground up, ranking initiatives by value and impact and assessing them in terms of current needs, measurable outcomes, alignment with strategic priorities, and their replaceability by private sector activities.

As Florida DOGE and others have expounded on the value of zero-based budgeting, one common question is: "How do we do it?" This handbook provides the framework and the tools to bring ZBB to cities, counties, and other local government entities. It is organized into six parts:

- **Understanding ZBB.** Part I explains what ZBB is, what it is not, and how modern variants differ from versions employed in the past.
- **Implementation.** Part II walks through the seven phases of ZBB implementation, from the initial leadership resolution through permanent institutionalization.
- **Operational Deep Dives.** Part III applies ZBB principles to six specific operational categories that have proven most resistant to scrutiny: legal spending, communications, personnel, grants, capital projects, and technology.
- **Making the Case.** Part IV addresses the five most common objections to ZBB and provides the evidence-based responses that answer them.
- **Tools and Resources.** Part V provides ready-to-use tools: a model resolution, justification templates, scoring rubrics, and a glossary.

The benefits of ZBB are proven and timely. Organizations adopting ZBB routinely achieve 10-20 percent sustainable cost reductions, which will help local government absorb property tax relief without sacrificing

1 Pyhrr, P.A., Zero-Base Budgeting: A Practical Management Tool for Evaluating Expenses, John Wiley & Sons, 1973.

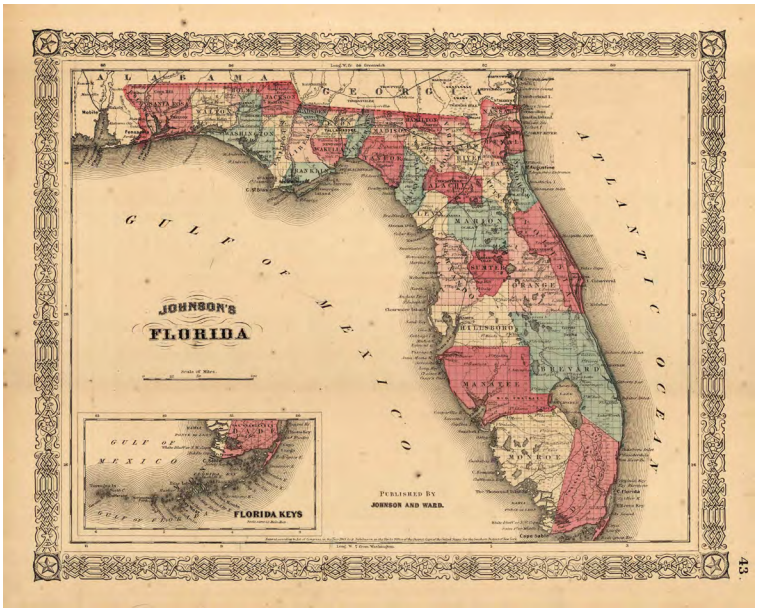
services. Specifically, it can enable local governments to focus on essential functions of public safety, emergency management, and infrastructure while streamlining costs in other areas.

Families in communities across the country build their budgets from the ground up every month. They start with what matters most: housing, transportation, food, and then they make every remaining dollar earn its place. This handbook is a practical guide to each step in ZBB implementation. It asks government to build its budget with the same discipline families do when they send their tax dollars off to city hall. The time to start from zero is now.

A Letter to Florida's Local Leaders

Imagine a family sitting at the kitchen table on a Sunday evening, building next month's budget from scratch. They do not start with what they spent last month and add a little more. They start from zero. The mortgage goes in first (along with property taxes and homeowner's insurance, opaquely embedded in their mortgage statement), because the family needs a roof over their heads. Then the car payment, utilities, groceries, and health insurance. If they are fortunate, entertainment and luxury spending follows. Each essential earns its place before a single discretionary dollar is allocated. Only after every necessity is accounted for does the family decide whether they can afford the streaming service, the gym membership, or dinner out on Friday. This is not austerity. This is how responsible Florida families build a budget.

> **THE KITCHEN TABLE TEST:** *When a family builds their budget from scratch, they start with the mortgage, then insurance, then utilities, and every other expense has to earn its place. The question is not "what did we spend last year?" It is "what do we need this year?" Your government should ask the same question.*



Now consider how local government builds its budget. It starts with last year's number. It asks: how much more? It distributes new revenue (in Florida, often generated by rising property values or higher millage rates) across existing programs with little scrutiny. Programs that were launched a decade ago continue automatically, whether or not they still serve a purpose. Spending grows, not because the community demanded it, but because unfettered growth is a feature rather than a bug. The question "Should we still be doing this?" is seldom asked by local bureaucrats.

The numbers tell the story. Between Fiscal Year 2016–17 and the present, general fund spending in Florida's ten largest cities, excluding public safety, climbed by $660 million more than if spending had grown only at the pace of population and inflation. General fund spending in the five largest counties increased 49% between Fiscal Year 2020-21 and Fiscal Year 2024-25 alone, exceeding population growth and inflation during that time period by over $1 billion. This growth far exceeded that of public safety spending, which was just 36%.[2]

2 Florida Department of Government Efficiency, Florida DOGE Report on Local Government Spending (Final), January 27, 2026.

Zero-based budgeting offers a different path. It does not mean zero services. It does not mean slashing police or closing fire stations. It means asking five simple questions of every expenditure: Is this legally required? Does it have measurable outcomes? Is it meeting them? Is there a more cost-effective alternative? And if none of the above, why are we still funding it?

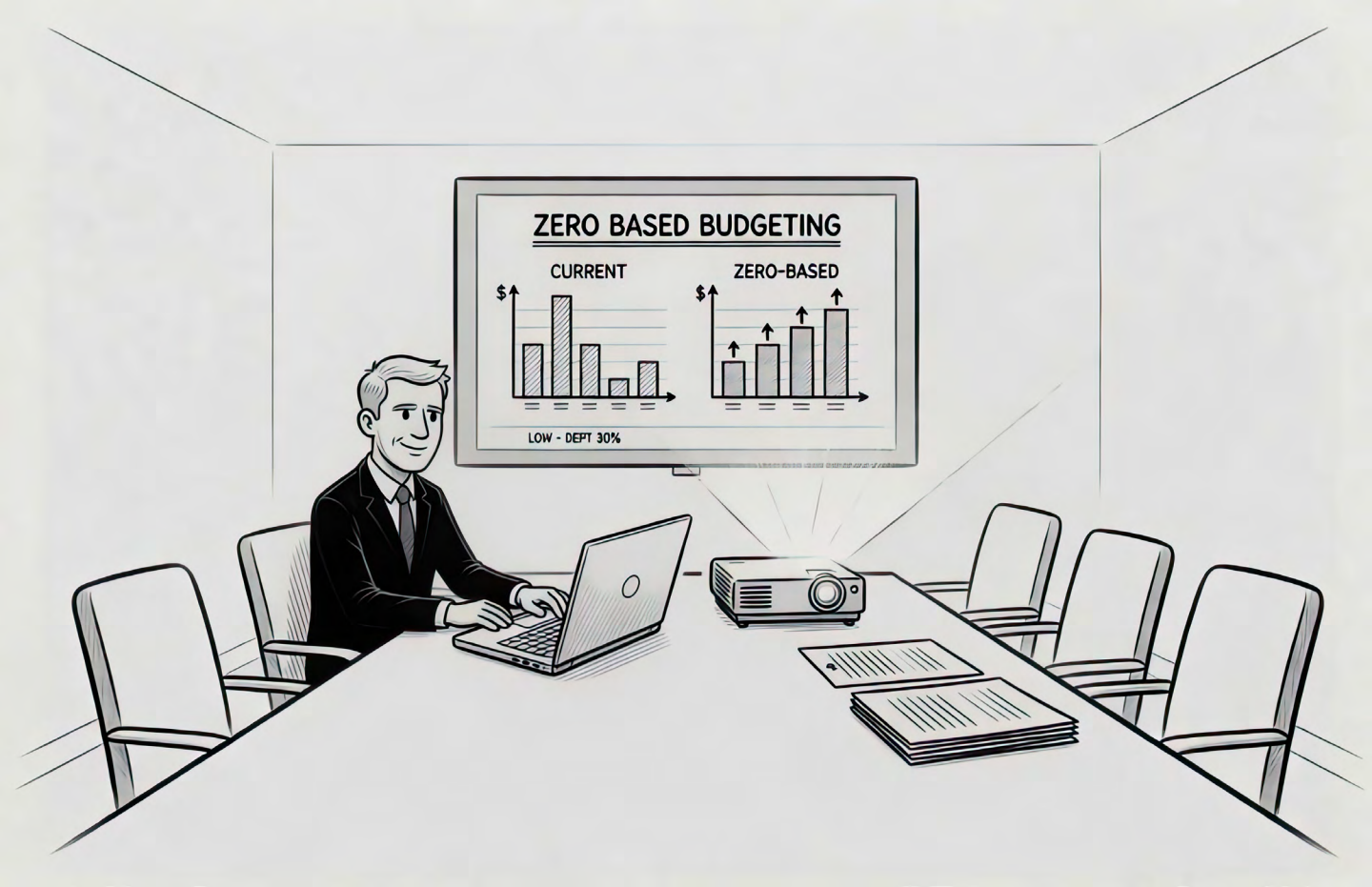
This handbook provides leaders with the framework, the tools, and the evidence to bring zero-based budgeting to your community. It draws on the experiences of Georgia, Texas, Houston, and Florida jurisdictions that have implemented ZBB in various forms. It provides model resolutions, justification templates, scoring rubrics, and a step-by-step implementation calendar. And it answers, with evidence, every objection from those who benefit from the current system.

Americans deserve a responsible government that exercises the same discipline they do over their budgets.

"This is not about spending less. It is about spending right."

THE "GHOST PROGRAMS" — ZOMBIE SPENDING IN YOUR BUDGET

The MacIver Institute coined the term "Ghost Programs" in their analysis of Wisconsin's state budget, which found that 16 of 58 programs across the state's 14 largest agencies had zero assigned performance measures. These programs received nearly $20 billion in combined funding, but with no metrics and no accountability. No way to know whether they work. These are zombie programs: they should be dead, but they continue to consume resources year after year because no one is required to justify their existence. A modest five-percent reduction to those unassessed programs alone would yield approximately $1 billion in savings. How many zombie programs exist in your city or county budget?



PART I
Understanding Zero-Based Budgeting

Chapter 1: What Is ZBB? Core Concepts and Common Myths

THE CORE IDEA

Zero-based budgeting rests on one simple idea: no program gets a free pass. Instead of starting with last year's budget and asking, "How much more?" ZBB starts from a blank page and asks, "Should we fund this at all?" Every department, every program, and every activity must demonstrate its value, its alignment with legal responsibilities, and its measurable outcomes.

Peter Pyhrr first introduced the modern form of zero-based budgeting at Texas Instruments in the late 1960s. Georgia adopted it statewide in 1971, and many other states and counties soon followed. By the end of the 1970s, the federal government was engaging in zero-based budgeting but, at the federal level, with 1970s technology, implementation proved impractical. The federal implementation was discontinued in the early 1980s, not because the concept was flawed, but because the implementation was exhausting. The federal version had generated over 10,000 decision packages and overwhelmed staff charged with its execution.

Today's ZBB is more practical and reflects the learnings from that experience. Many implementations eschew evaluating every program in every department every year. The digitalization of government assists in compiling the needed information as well. Thus, in a modern approach, rotating reviews, streamlined frameworks, and modern data management technology can deliver ZBB's analytical rigor without its 1970s-era paperwork burden.

Nevertheless, the idea remains the same: instead of accepting what a program, office, or department is already spending as necessary, the officials responsible must explain the justification for all of the spending, just as if it were new.

A major component of this is understanding the tradeoff between where a goal is set and what resources are required to achieve that goal. Joseph M. Juran, an engineer and private-sector manager who became a key leader in the World War II Lend-Lease program, was the first to apply the so-called "80/20" rule broadly in the field of management and administration, observing that an outsized amount of effort goes into driving the last part of an accomplishment. In experiences in the performance of government functions, this often means that accomplishing the last 10% of a theoretically-perfect goal may require 25% or more of the cost, time, and resources. It therefore behooves leaders to consider whether to modify goals based on the potential savings imperfection, rather than perfection, can be the best value for taxpayers.

WHAT ZBB IS NOT

Opposition to ZBB is often built on misunderstandings and myths about the nature of zero-based budgeting. The following table addresses the six most common myths.

MYTH	REALITY
"ZBB means cutting everything to zero."	ZBB means justifying everything from zero. Programs that demonstrate value are funded, often at the same or higher levels. The "zero" is a starting point for analysis, not a spending target.
"ZBB will cut police and fire."	The opposite. Public safety is the highest-priority tier under ZBB and is funded first. ZBB protects public safety by preventing discretionary spending from crowding it out. In the real county analysis, $113 million in savings was identified without reducing a single public safety position.
"ZBB is a one-year exercise."	Modern ZBB is a permanent change in budgeting culture. Georgia reviews 10–14% of programs annually on a rotating cycle. The goal is institutional discipline, not a single budget cut.
"ZBB requires massive new staff."	Georgia and Texas implemented ZBB with existing budget staff. Houston designed its ZBB system with 23 departments using current personnel. The return exceeds the cost in Year 1.
"ZBB is just across-the-board cuts with a new name."	Across-the-board cuts are the opposite of ZBB. ZBB distinguishes high-value programs from low-value ones. One jurisdiction's budget office had doubled in size based on a temporary need, then retained those positions even after the work justifying the expansion had concluded. ZBB would right-size that office based on actual workload, not cut every department equally.
"ZBB was tried in the 1970s and abandoned."	What was abandoned was the exhaustive "textbook" version that generated 10,000 decision packages. Modern ZBB uses rotating reviews, streamlined frameworks, and practical variants that every credible source confirms are workable. Georgia has operated ZBB continuously since 2012.

THE FIVE QUESTIONS

At its core, zero-based budgeting rests on five simple questions that every program, every expenditure, and every position must answer. These five questions are the analytic core of the ZBB process.

THE FIVE QUESTIONS EVERY PROGRAM MUST ANSWER

1. Is this program legally mandated by the Florida Constitution, state statute, or local charter?
2. *Does this program have clearly defined, measurable performance outcomes?*
3. *Is this program meeting those outcomes? What does the data show?*
4. *Would the need for this program be met in part or in full by someone else if we stopped providing it, or would this service be delivered more cost-effectively through an alternative provider, consolidation, or restructuring?*
5. *If this program did not already exist, would you create it today with these same dollars?*

Question 5 is the decisive one. It forces decision-makers to evaluate programs as if they were being proposed for the first time. A program that has operated for twenty years without measurable outcomes may survive Questions 1 through 4 on inertia. It will not survive Question 5, because no rational decision-maker would create it today.

HOW ZBB DIFFERS FROM INCREMENTAL BUDGETING: A CONVERSATIONAL EXAMPLE

Consider a county Cultural Affairs department that receives $14.5 million in general fund support. Under incremental budgeting, the conversation at budget time sounds like this:

Budget analyst: “Cultural Affairs is requesting $15.2 million, a 4.8% increase. Revenue growth is projected at 3.5%. We recommend funding at $15.0 million, a 3.4% increase.” The commission votes to approve. The department grows. The question of whether any general fund support is justified is never raised.

Under ZBB, the conversation starts differently:

Budget analyst: “Cultural Affairs requests $14.5 million in general fund support. They also receive $X million from the convention development tax and tourist development tax. Question 1: Is general fund support for Cultural Affairs legally mandated? No, it is a discretionary allocation. Question 2: Are there performance measures? The department tracks event attendance but has no measures of public benefit per dollar of general fund investment. Question 4: Could cultural programming be funded entirely from tourism taxes without any general fund support? The independent review says yes. Question 5: If this general fund subsidy did not exist, would we create it today? With a $387 million shortfall and fully funded tourism tax revenue available, the answer is no.”

Result under ZBB: general fund support eliminated. Cultural Affairs continues to operate on tourism revenue. $14.5 million now becomes available for protecting public safety, for funding education, or for lowering the cost of living by never taking the money out of taxpayers’ pockets in the first place.

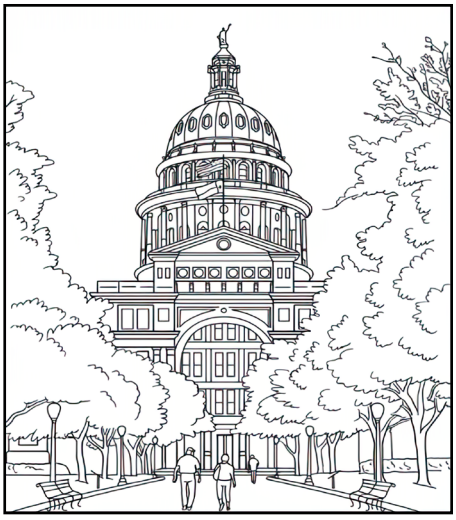
THE KITCHEN TABLE TEST: When building a household budget from scratch, no family starts with the streaming subscription. They start with the mortgage, then insurance, then utilities — and every other expense has to earn its place. Your local government should build its budget the same way.



Chapter 2: The Spectrum of Approaches

ZBB is not one-size-fits-all. Jurisdictions can choose from a spectrum of approaches based on their capacity, political will, and fiscal urgency. Cities and counties can choose from a range of approaches depending on their capacity, political support, and budget pressures. The real decision isn't whether to use ZBB, but how rigorously and how quickly to put it in place.

FULL ZERO-BASED BUDGETING



Every program in every department rebuilds its budget from zero each year. This is the most comprehensive approach and the most resource intensive. It is best suited for jurisdictions facing acute fiscal crises where the entire budget must be reconsidered simultaneously. Texas used full ZBB in 2003 when facing a $10 billion revenue shortfall. The Texas Public Policy Foundation concluded that ZBB "proved its worth" by enabling targeted reductions that avoided across-the-board cuts.

ZERO LINE-ITEM BUDGETING

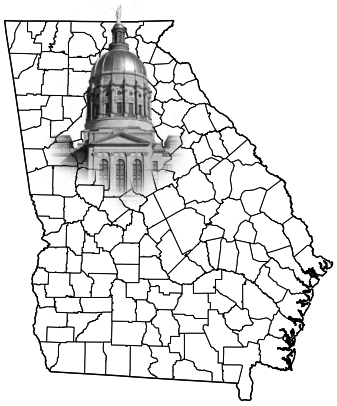
Departments receive blank budget forms with zeros for each line item, not last year's figures, and rebuild from the ground up. This changes the

psychology of the budget process: instead of defending marginal increases, department heads must justify total expenditures. Houston adopted this variant and found that it produced more honest conversations about baseline costs. The City of Houston's budget director noted that when department heads receive a form pre-populated with last year's numbers, they anchor to those numbers. When they receive a blank form, they think about what they actually need.

SERVICE-LEVEL BUDGETING

Departments develop decision packages at three tiers: minimum viable service, current service level, and enhanced service. Decision-makers select which packages to fund based on priority and available resources. This is the approach most commonly used by Florida jurisdictions: Hillsborough County, Manatee County, and several others have employed service-level budgeting for 20 or more years. The Government Finance Officers Association (GFOA) considers this the most practical variant for most local governments.

ROTATING REVIEW (GEORGIA MODEL)



Under the Georgia model, 10 to 25 percent of programs underwent full ZBB review each year on a rotating cycle.

Every program was reviewed at least once every four to ten years (Georgia targeted every seven years).

This approach is sustainable, institutionally manageable, and operated continuously in Georgia from 2012 to 2020 after the state codified it in statute (O.C.G.A. 45-12-75.1) in 2012.

RECOMMENDED APPROACH

Start with service-level reviews of all departments in Year 1 to establish baseline program inventories and performance measures. Then transition to rotating 20–25% deep-dive reviews annually, ensuring every program faces full ZBB scrutiny at least once every four years. This balances thoroughness with administrative feasibility. Jurisdictions facing acute fiscal crises should consider full ZBB in Year 1.

Chapter 3: The Benefits

Zero-based budgeting not only helps government entities spend tax dollars and cut costs more wisely, it also makes it possible to manage government activities more effectively. For governments confronting affordability, public confidence, revenue, or other challenges, ZBB offers a proven path to deliver improved transparency, fiscal discipline, and strategic focus. Among the benefits are these:

1. Matching strategic priorities with actual spending.

By ranking decision packages against measurable outcomes, ZBB ensures spending supports current community needs rather than historical precedent. New programs can find funding in changes to existing activities through level of effort or elimination, rather than requiring new sources of revenue.

2. Helping to identify hidden waste and outdated programs that no longer deliver value to taxpayers.

ZBB surfaces legacy costs that have outlived their usefulness. Annual reviews can expose duplicative contracts, underused software licenses, and low-impact initiatives that incremental budgets routinely overlook.

3. Making identified cost reductions sustainable.

Organizations adopting ZBB routinely achieve double-digit savings without across-the-board cuts. The structured review process identifies efficiencies in procurement, staffing, and operations, including duplication of effort among organizational units.

4. Providing better transparency for improved public accountability.

Every expenditure must be documented and justified in decision packages that elected officials and citizens can review. Beyond visibility, this provides insight into what the alternative approaches and possibilities for approaching goals may be. This openness builds trust in an era of taxpayer skepticism. Not only members of the public, but elected leaders, can gain from this insight and from better-informed public dialogue about affordability and service levels.

5. Facilitating mid-cycle budgeting when changing circumstances require it.

In a dynamic world, new developments and conditions frequently disrupt the budget cycle. ZBB makes it easier to revise assumptions and avoid the complete revision of all budgeting efforts or inefficient, across the board changes.

6. Encouraging innovation and creative problem-solving.

Annual or regular decision packages provide an automatic opportunity to propose alternative, better, and/or cheaper ways to deliver results and the opportunity to showcase the benefits. Instead of every proposed process improvement requiring its own hook to navigate administrative bureaucracy and approval, these improvements, including proposals that leverage technology, shared services, or public-private partnerships, can be rewarded as part of the routine ZBB process.

7. Shifting organizations towards data-driven decision-making.

The requirement for detailed justification packages forces departments to gather performance metrics, cost benchmarks, and outcome data. Leaders move from instinct to evidence, and leaders and managers will tend to continue to look for data and assess their performance on an ongoing basis.

8. Adding an increased performance orientation to the culture of an organization.

Employees at every level participate in building and defending budgets, shifting mindsets from “spend what we spent last year” to “prove what we deliver this year.” In local governments, this cultural change attracts results-focused talent and retains staff who value mission impact over bureaucratic routine, ultimately raising overall government effectiveness. This also facilitates the ability to measure staff and managers against the metrics outlined during the budgeting process.

9. Increasing budget agility for years that fall outside of “normal.”

Because budgets are rebuilt annually from zero, organizations have greater flexibility and the knowledge required to reallocate funds when revenues drop or emergencies arise. They can rely on the consolidated rankings of programs and activities, can better prioritize where services can be cut, and even have pre-determined knowledge of alternative levels of effort and their forecasted implications.

10. Yielding stronger management ability to facilitate staff's work.

Over time, bureaucracies typically become constrained by general policies and procedures adopted in the past or even external forces over which they have no direct control, and top management is often unaware of the limitations, costs, and problems that are associated and are unable to help drive change. By identifying to leadership the workloads and other costs imposed by goals, policies, procedures, legal requirements, and more, those leaders will be better positioned to identify needed actions and execute in ways that can help alleviate those burdens.

Chapter 4: ZBB and Capital Projects

Operating budgets receive the most public attention, but capital budgets are where the largest long-term fiscal commitments are made — often with less scrutiny. Announcing a brand-new city hall or agency headquarters, a new streetcar line, a swimming natatorium, a rail line, or a stadium feels like a leadership accomplishment. Subsidizing the ongoing funding of these undertakings — operating costs that persist indefinitely like staffing, debt service, maintenance, and covering losses — does not.

Elected leaders often want to build visible new projects — whether it's a city office building, a commuter rail line, or a performing arts center. That urge is made even stronger by the ready availability of dedicated revenue streams such as sales-tax surcharges, local gas taxes, federal and state grants, and convention and tourism development taxes.

While these funds can often be used to pay for some categories of operating costs, particularly physical maintenance and repair, that still leaves a substantial annual operating cost that must be funded out of a jurisdiction's operating budget. For example, while the South Florida counties of Miami-Dade, Broward, and Palm Beach have the greatest needs for transit projects in the state, recent project proposals have included a requirement of an annual operating subsidy of 3% or more, which can be $100 million of additional general revenue expense atop a $3 billion capital cost.

These downstream costs are then treated as baseline obligations, not as decisions that require fresh justification. So, a zero-based budgeting approach to capital projects requires taking into account these costs up front and asking whether the city or county will be able to afford them, and how. We call this "Tomorrow's Bill Test": before any capital project is approved, the jurisdiction must demonstrate — in writing, with identified funding sources — that it can pay the recurring bills the project will generate, not just the construction tab. If a project passes the capital budget screen but fails the operating budget screen, it should not proceed until the operating gap is closed.

RECOMMENDED APPROACH

Future operating costs should be identified as part of the planning and approval for every capital expenditure and a planned, corresponding source of revenue or expense cut should be specified. If the planned source of revenue is already existing and being used, a planned expense cut in the event that revenue does not increase should be identified.

Once the expenditure is approved, the corresponding source of revenue or funding cut, and the date it is planned to be tapped, should be included in annual reports, budget documents, and government websites.

ZBB applies the same justification standard to capital projects that it applies to operating programs. Every capital commitment must demonstrate its purpose, its measurable outcomes, its full lifecycle cost (including operating impact), and its priority relative to alternatives (again, not just on the capital expenditure side, but on the operating side). So, a decision to build a streetcar line that costs $100 million and requires $6 million in operating

subsidies must compete against capital expenditures that represent alternative uses of the $100 million and operating activities that cost $6 million; or retain the option of not spending the two sets of funds at all.

Chapter 5: ZBB at the State and Local Level — Georgia, Texas, and Beyond

GEORGIA: ROTATING ZBB FROM FY 2013 TO FY 2021

Georgia's ZBB program is the most mature and best-documented state-level implementation in the United States. Established by the state in 2012 and codified in O.C.G.A. 45-12-75.1, the program requires the Governor's Office of Planning and Budget (OPB) to conduct zero-based budget reviews of selected state programs on a rotating cycle.[3]

Key features of the Georgia model included:

- **Targeted selection.** Each ZBB review selected a subset of programs, typically 10 to 14 percent of the total budget, for full analysis. The selection was based on factors including program age, spending growth, performance data availability, and legislative priority.
- **Ground-up analysis.** For each selected program, OPB analysts built the budget from zero – starting with the program's reason for being in existence. They examined the statutory authority for the program, its current and historical spending, its performance outcomes, its staffing levels, and comparable programs in other states. The result was a ZBB Analysis Report that recommended continuation, modification, consolidation, or elimination.
- **Integration with the budget cycle.** ZBB findings were presented to the Governor and the General Assembly as part of the annual budget process. This gave the analysis institutional weight, and it did not become a consulting report that sat on a shelf.
- **Statutory codification.** The statute ensured that ZBB would survive changes in gubernatorial administration, and that it would be continued during subsequent administrations. The process was thereby built to be an institutional improvement, not just a personal achievement.

Georgia's FY 2021 ZBB Final Report reviewed programs across multiple agencies and identified specific recommendations for restructuring, consolidation, and elimination. The program demonstrates that rotating ZBB is not only feasible but sustainable over a decade-long timeframe with existing state budget staff.

The Georgia statute included a sunset date of June 30, 2020, which arrived during the time when the state was responding to the COVID-19 pandemic: Georgia's General Assembly suspended its 2020 session in March, reconvening only in June for a two-week end-of-session sprint. Meanwhile, Georgia government workers, including budget staff, had faced disruptions and a shift to extensive telework, much like workers elsewhere. Renewal of zero-based budgeting received very little attention and simply expired.

In 2026, the Georgia Senate considered the Waste Reduction Act of 2026, seeking to reinstate the zero-based budgeting process in Georgia, but it did not pass.

TEXAS: FULL ZBB IN A FISCAL CRISIS

Texas's experience with ZBB is instructive for jurisdictions facing acute fiscal pressure. In 2003, Texas confronted a $10 billion revenue shortfall. Rather than resort to across-the-board cuts, the legislature adopted zero-based budgeting for the entire state budget. Every agency was required to justify its budget from zero.

3 O.C.G.A. 45-12-75.1; Georgia Governor's Office of Planning and Budget, FY 2021 Zero-Based Budget Analysis: Final Report, 2020.

The Texas Public Policy Foundation's assessment concluded that ZBB "proved its worth as a budgetary tool" by enabling targeted reductions that protected high-priority services while eliminating or restructuring low-value programs. The key lesson from Texas is that full ZBB is viable when the alternative is across-the-board cuts that would damage some core services unnecessarily. Depending on their degree of fiscal responsibility, some Florida counties facing the consequences of property tax reform may be faced with this circumstance.[4]

Texas's ZBB process involved three key elements. First, every agency was required to identify its core mission and the minimum resources needed to fulfill statutory obligations. Second, agencies had to present decision packages showing what services would be provided at various funding levels — not just the current level, but also at reduced and enhanced levels. Third, the legislature used these packages to make explicit trade-offs: funding one agency's enhanced package meant reducing another's. This forced transparency about priorities that incremental budgeting had obscured.

The key lesson from Texas is that full ZBB is viable when the circumstances provide sufficient urgency. The Texas experience demonstrated a core insight of zero-based budgeting: across-the-board percentage cuts treat every program as equally valuable, while ZBB reveals which programs deserve reductions and which deserve more resources. When Florida's Miami-Dade County announced in 2025 that it faced a $387 million shortfall, ZBB could have helped the county avoid or narrow that gap.

HOUSTON: ZERO LINE-ITEM AT THE CITY LEVEL

Houston's experience is particularly relevant to Florida's local governments because it was implemented at the city level, not the state level. Houston adopted a zero line-item approach for 23 departments, requiring each to rebuild its budget from blank forms rather than starting with last year's numbers.

The city's experience revealed an important structural insight: most local governments budget by organizational unit (department, division) rather than by program or service. This means that mapping spending to services requires substantial work in Year 1. Houston invested in that effort and found that the program inventory itself produced the most valuable analytical insights. That's right: Houston learned a great deal from the simple act of cataloging what the city actually does and what it costs. Many departments discovered programs and activities that no one had been tracking.

Today, Florida DOGE's work with pioneering AI-based software partners demonstrates that automation can transform what was, in the past, a difficult manual task of inventorying programs and spending into a streamlined activity that can deliver immediate insights useful not only for zero-based budgeting, but for routine management tasks as well as internal oversight functions.

FLORIDA: EXISTING ZBB EXPERIENCE

ZBB is not unknown in Florida. Several jurisdictions have operated service-level budgeting variants for two decades or more. Manatee County is one of those examples, and its example helps demonstrate that ZBB-adjacent processes are compatible with Florida's TRIM requirements, Sunshine Law obligations, and October 1 fiscal year calendar.

Notably, Florida DOGE's on-site review of Manatee County found the jurisdiction to have "done a better job than many Florida jurisdictions" and deserving of "credit for . . . millage rate cuts and operating spending growth well below ad valorem growth." Between FY 2016-17 and FY 2024-25, Manatee County's ZBB approach helped the county restrain general fund spending growth to 62%, a rate comparable to the combination of the 26% population

4 Texas Public Policy Foundation, Assessment of Zero-Based Budgeting in Texas, Austin, TX, 2003.

growth in the county and the rate of inflation during that time period. This approach contrasted with the initiation of several major capital expenditures that took place outside of long-term and strategic planning.

OTHER JURISDICTIONS

Similarly, the San Diego Independent Budget Analyst's (IBA) 2016 report on ZBB provides a useful template for how a city budget office can evaluate ZBB approaches and recommend implementation. The IBA concluded that a hybrid approach, combining service-level packages with rotating deep-dive reviews, was the most practical path for a large city. That recommendation aligns with the approach this handbook advocates.[5]

Separately, synthesized research by the Government Financial Officers Association (GFOA), the most comprehensive academic assessment of modern ZBB, highlighted that ZBB can succeed at the local government level. Key findings include governments with strong executive commitment reporting "minimal problems with budgetary game-playing," the administrative burden of ZBB being "rarely cited as an important problem in practice," and the most common reason for abandoning ZBB being not that it failed, but that leadership commitment wavered. Montgomery County, Pennsylvania confirmed that sustained leadership engagement was the single most important success factor.[6]

KEY TAKEAWAYS FROM STATE AND LOCAL EXPERIENCE

LESSON	SOURCE
Rotating ZBB is sustainable over 10+ years with existing staff	Georgia (2012–present)
Full ZBB works in acute fiscal crises when across-the-board cuts are the alternative	Texas (2003)
The program inventory itself produces the most valuable Year 1 insights	Houston
Leadership commitment is the #1 success factor; administrative burden is rarely cited	GFOA (Kavanagh, 2011); Montgomery County, PA
ZBB is compatible with Florida's TRIM process, Sunshine Law, and fiscal calendar	Hillsborough County, FL; Manatee County, FL

5 Office of the Independent Budget Analyst, City of San Diego, Zero-Base Budgeting Concepts and Examples, IBA Report 16-16, May 13, 2016.

6 Kavanagh, S.C., Zero-Base Budgeting: Modern Experiences and Current Perspectives, Government Finance Officers Association, 2011.



PART II
Implementing ZBB: The Seven Phases

Chapter 6: Phase 1 — Leadership Commitment, Communications, and ZBB Design (Months 1–2)

Zero-based budgeting begins with a political commitment, not a technical exercise. The city commission, county board, or council must formally adopt a public resolution or similar action that endorses and establishes the process and sets its scope, timeline, and governance structure. Without visible, sustained leadership commitment, ZBB will be undermined by inertia, misaligned incentives and, in some cases, outright resistance.

From the outset, ZBB developer Peter A. Pyhrr placed leadership commitment and support from top management first among the three non-negotiable requirements he identified for successful ZBB implementation. The reason is simple: managers at lower levels experience the problems of implementation and worry about the consequences before the project is complete. They therefore need the safety provided by leadership backing to have confidence in the ZBB process.

Research by the GFOA similarly found that governments with strong executive commitment reported "minimal problems with budgetary game-playing." Two examples of ZBB success particularly pointed to leadership commitment as a critical success factor: Montgomery County, PA and Georgia. In Georgia, commitment to ZBB went beyond just verbal commitments to outright adoption into law. There, its codification in statute signaled that the commitment would be an enduring one,.

Beyond codification, the important roles that top management can play are twofold. First, those leaders, particularly the chief executive, should communicate actively and regularly the importance of, and support for, the ZBB process. And second, the chief executive should be visibly engaged in the ranking and funding decisions described in Phase 4 — not just a figurehead taking part in name only.

KEY ACTIONS

- **Pass a formal resolution.** Place a ZBB resolution on the next available commission or council agenda. A model resolution is provided in Appendix A of this handbook. The resolution should commit the jurisdiction to ZBB, define the scope (full budget or targeted departments), establish the timeline, and create a ZBB Task Force.
- **Appoint a ZBB Task Force.** The Task Force should be chaired by the chief executive (mayor, city manager, or county administrator) or a designee with clear authority to direct staff. Membership should include the budget director, at least two department heads from large departments, and at least two independent members. This could include outside experts, retired local government officials with budget expertise, or citizen members appointed by the governing body. A representative from an entity providing oversight may also be useful, noting that an external auditor or the like may be limited in their ability to weigh in because of the need to maintain audit independence.

  Because ZBB is a management process, not a form-filling exercise, the task force is central. Undertaking ZBB requires active coordination, quality control, timeline management, and dispute resolution throughout the cycle. Thus, this task force is a process management team and not merely an oversight body.
- **Define the scope.** Jurisdictions with the capacity and fiscal urgency may review the entire budget in Year 1 (the Texas model). Others should target the highest-discretionary spending categories: grants to nonprofits, communications offices, cultural affairs, information technology spending, and any program that has never been required to demonstrate measurable outcomes.
- **Establish the calendar.** ZBB must be synchronized with the jurisdiction's fiscal calendar. For Florida governments operating with an October 1 fiscal year start date, the ZBB process should begin no later than February of the preceding year to allow adequate time for program inventory, analysis, ranking, and integration with the TRIM process.
- **Communicate purpose to staff.** The most effective way to undermine ZBB is to characterize it as a punishment. Department heads and employees must understand that ZBB is about justification, not elimination. Programs that demonstrate value will be funded. The goal is to free up resources currently dedicated to low-value activities, which can then be redirected to higher-value activities or put back in the pockets of taxpayers to generate savings, investment, and a positive economic trajectory.

FLORIDA-SPECIFIC CONSIDERATION

Florida's TRIM (Truth in Millage) process already requires public hearings when the proposed millage rate exceeds the rolled-back rate. The ZBB resolution should explicitly link ZBB findings to the TRIM timeline, ensuring that program justification results are available before millage rate decisions are made. This creates a virtuous cycle: ZBB findings inform millage decisions, and public millage hearings create pressure for continued ZBB discipline.

COMMUNICATING ABOUT ZBB

As the above makes clear, effective communication is an essential element of succeeding with zero-based budgeting. These communications have several important purposes.

Reassuring managers. Managers need clear reassurance that ZBB is not a punishment. The process demands open, detailed scrutiny of every function. As Peter Pyhrr put it, ZBB "takes away the blanket or security from managers who have learned to survive by keeping low profiles." This fear is more common and more pronounced in government than in industry, and more common in poorly-managed organizations than in well-managed ones. The antidote is consistent communication to managers that ZBB is not a punishment, but a tool that allows every manager to make the case for their programs. Managers who run effective programs have nothing to fear; managers who cannot justify their programs should be running something else that can be justified.

Expanding understanding. ZBB involves more managers at more levels than traditional budgeting processes. This means that technicians and program specialists who may never have participated in budget preparation will be playing important roles. In a local government context, this could mean parks supervisors, code enforcement managers, IT leads, and grant coordinators who will be preparing justification packages. So not only are the packages a newly-introduced idea, the preparers are new players. The ZBB Task Force must invest in clear, practical training before the process begins. A brief manual with jurisdiction-specific examples is essential, which can be built from templates used elsewhere.

Reconciling planning assumptions. If top management does not provide formalized planning assumptions before decision packages are developed, three problems may result. First, managers make their own differing assumptions, creating internal conflicts. Second, coordination among related activities breaks down. Third, managers default to "business as usual" analysis because they lack the direction to consider genuine alternatives. The planning assumptions issued in Phase 1 must include: projected revenue levels, anticipated service demand changes, wage and benefit cost adjustments, planned organizational changes, and general expenditure guidelines.

Making the ZBB process a priority. The first ZBB cycle will take longer than traditional budgeting. This is unavoidable and should be planned for. However, the learning curve flattens dramatically. At Texas Instruments, the second year took approximately half the calendar time of the first year. Thus, local government staff should be reassured that the increased burden is a startup feature, not an ongoing time drain. Time savings come from three sources: reduced administrative confusion as managers become familiar with the process; managers learning to analyze operations on a continuing basis rather than only at budget time; and improved planning assumptions from top management based on the prior year's analysis.

PRACTICAL DESIGN CHECKLIST FOR LOCAL GOVERNMENTS

Before launching zero-based budgeting, every jurisdiction must make several important design decisions. The checklist below draws on proven ZBB principles and real-world experience to help local governments get those choices right:

- Decision package level: For each department, determine whether packages will be developed at the department, division, program, or activity level. Use the four-factor test: size of operation, availability of alternatives, level at which meaningful decisions can be made, and available analytical capacity.
- Minimum effort level guidance: Issue clear guidance that minimum levels should typically represent 50 to 70 percent of current operating levels, with exceptions for start-up programs and legally mandated service floors.
- Consolidation hierarchy: Define the levels at which rankings will be consolidated (e.g., division to department to budget office to commission). Limit consolidation to three or four levels to prevent volume overload.
- Cutoff percentages: If the jurisdiction generates more than 100 decision packages, establish cutoff expenditure levels at each consolidation level to focus analytical effort on discretionary and marginal activities.

- Ranking mechanism: Determine whether rankings at the commission or council level will use single-scale voting, multi-criteria scoring, or a combination approach.
- Planning assumptions package: Before any department begins preparing decision packages, issue formalized planning assumptions covering revenue projections, service demand changes, wage and benefit adjustments, and general expenditure guidelines.
- Training plan: Schedule briefings for all managers who will prepare packages. Use jurisdiction-specific examples, not generic templates. Include a sample completed package for a readily understood local activity.
- Timeline with buffer: Add two to four weeks to the standard budget calendar for Year 1 to accommodate the ZBB learning curve. Plan to compress the timeline by 25 to 50 percent in Year 2.
- Post-cycle critique: Schedule a formal review session within 30 days of budget adoption to document lessons learned and improvements for the next cycle.

Chapter 7: Phase 2 — Program Inventory and the Four-Tier Framework (Months 2–3)

Before you can justify every dollar, you must know where every dollar goes. Most local governments organize their budgets by department or division rather than by the actual programs and services they deliver. Houston's ZBB implementation revealed that this structural gap required substantial manual work to map spending to services. The first analytical step is to build a comprehensive program inventory and classify each program into one of four priority tiers.

Artificial intelligence can significantly accelerate this inventory process. AI-powered tools can analyze budget documents, contracts, and organizational charts to identify programs, map spending to services, flag duplicative functions across departments, and automate initial tier classification — reducing what might otherwise require months of manual work. In Florida DOGE's work, local governments have consistently lauded the visibility that AI-based tools can give into their operations and their ability to spot patterns, duplication, and commonalities across disparate areas of the organization.

KEY ACTIONS

- Catalog every program, activity, and service across all departments.
- Map each program to its funding sources, staffing, and current budget.
- Classify each program into the Four-Tier Priority Framework (see below).
- Identify programs with no assigned performance measures. These are zombie programs that continue to consume resources without demonstrating they are still functioning or delivering value.
- Document the statutory or legal authority for each program.
- Flag all positions added in the last three fiscal years and require departments to demonstrate that those positions are still necessary.
- Leverage artificial intelligence and data analytics tools to accelerate program identification, flag duplicative services across departments, and automate the initial classification of expenditures into priority tiers.

HOW TO BUILD THE PROGRAM INVENTORY

Most local governments do not have a clean list of their programs. Their budgets are organized by department, division, and line item, not by program or service. Houston's experience confirmed that mapping spending to services requires substantial manual work in Year 1 but produces the most valuable analytical insights.

Begin with a department-by-department survey. Ask each department head to list every distinct program, service, or activity their department provides. For each entry, require: a one-paragraph description of the program's

purpose; the annual cost (personnel, operating, capital) drawn from the adopted budget; the number of full-time equivalents (FTEs) dedicated to the program; the legal authority (if any) that mandates the program; and the performance measures currently in use (if any). Programs that cannot be described in one paragraph are often programs that have drifted from their original purpose.

The inventory will inevitably reveal surprises. Houston found programs that no one had been tracking. In one Florida example, the inventory revealed that a local government had staff in over two dozen separate offices assigned responsibilities for communicating over social media, often engaged in similar work to generate content. These findings emerged only because the inventory required each function to be explicitly identified and justified.

THE FOUR-TIER PRIORITY FRAMEWORK

Every program in the inventory must be classified into one of four tiers. This classification determines funding priority and the level of justification required.

TIER	CATEGORY	EXAMPLES
Tier 1	Core Functions of Government and Constitutional /Statutory Mandates	Law enforcement, fire/rescue, courts, jails, property appraisal, elections. This is not a department analysis, but a functional one: the spokesperson for the corrections department is conducting a communications function, not a public safety function.
Tier 2	Key Community Services	Parks & recreation, libraries, water/sewer utilities, road maintenance, public transit (operational, not expansion)
Tier 3	Discretionary Programs	Grants to nonprofits, cultural subsidies, communications offices, special events, economic development initiatives, consulting contracts
Tier 4	Administrative Overhead	Legal departments (beyond mandated functions), excessive executive staffing, duplicative divisions, programs without performance measures

THE PRIORITY STACK

Visualize your budget as a stack of building blocks. Tier 1 (public safety, courts, statutory mandates) forms the foundation: it goes in first and is never removed. Tier 2 (core community services) sits on top of the foundation. Tiers 3 and 4 (discretionary programs, administrative overhead) sit at the very top. If you must remove blocks to balance the budget, you always remove from the top: never from the bottom. This makes it structurally impossible to cut a police officer to preserve an art grant. ZBB does not threaten public safety; it protects public safety by ensuring it is always funded first.

FLORIDA-SPECIFIC CONSIDERATION

Florida law requires counties to provide certain services (law enforcement, courts, jails, property appraisal) and permits but does not require others (parks, libraries, economic development grants). The program inventory should explicitly distinguish between state-mandated, locally-mandated (by charter or ordinance), and purely discretionary programs. Chapter 125 (counties) and Chapter 166 (municipalities) of the Florida Statutes define these boundaries.

Chapter 8: Phase 3 — Decision Unit Analysis and Justification Packages (Months 3–4)

This is where ZBB transforms from an idea into an analytical discipline. Every program identified in Phase 2 must now be understood in light of its purpose. Department heads prepare justification packages for each decision unit, which is a program, service, or activity that can be meaningfully evaluated on its own.

But a justification package is not a one-page essay. It has three tiers of analytical depth:

- **Tier 1** — Decision Unit: The Five Questions answered, three funding scenarios presented. This is the face of the package, the part on which elected officials vote and taxpayers see.
- **Tier 2** — Cost Elements: The decomposition beneath each scenario, breaking expenses into component categories: personnel (by job classification), contracts (individually), materials, capital, and internal charges. This is the evidence base that makes the scenarios credible.
- **Tier 3** — Supporting Schedules: The workpapers, including position listings, contract documents, workload data, and performance metrics that prove the numbers.

The three scenarios are defined at Tier 1 but constructed by manipulating Tier 2 components. "Minimum" means specific positions stated and their functions described, and specific positions left unfilled if vacated. It means specific contracts are needed, and others are unneeded. This is where a contrast from traditional budgeting emerges: a "minimum" scenario is not a vague 10% haircut, based on the idea of saving money. Here, the "minimum" scenario comprises the functions that absolutely have to be performed and the resources required to complete that, alongside a recognition of whether there are functions that are currently performed that will go undone. If a department cannot show which positions and which contracts change between scenarios, the scenarios are fiction.

Each justification package must answer the Five Questions and present three funding scenarios: (a) Minimum — the legal minimum or bare operational floor; (b) Current — the current level of service; (c) Optimized — the recommended level based on performance data and community need. The gap between Minimum and Current is the cost of discretion. The gap between Current and Optimized is the cost of improvement. Both must be justified.

A note on scope: Larger jurisdictions will likely determine that it is impractical to run the entire budget through a zero-based budgeting process in Year One. Take the largest 10–15 decision units, typically 70–80% of total spending, through the full three-tier process. Rotate remaining units over a 3–5 year cycle. Pre-populate templates from existing human resources information systems (HRIS), enterprise resource planning (ERP), and procurement systems, so department heads spend their time analyzing, not transcribing. As noted above, AI tools can assist with this task. ZBB should be rigorous and analytical, not tedious and crippling.

KEY ACTIONS

- Require each program to produce a written justification package addressing the Five Questions. Each package should include a one-page program summary covering mission, funding history, staffing levels, performance data, and a clear statement of the program's public purpose.
- Present three funding levels for each program: Minimum, Current, and Optimized. This forces departments to distinguish between what is legally required and absolutely necessary, what is currently provided, and what is justified by evidence.
- Apply "The Taxpayer Test" to every justification package. If a budget analyst cannot stand before a room of taxpayers and defend this expenditure, the program has not earned its place in the budget.
- Identify programs that cannot answer the Five Questions. These are the strongest candidates for elimination or fundamental restructuring. A program that cannot articulate its legal authority, measurable outcomes, or cost-effectiveness has no business consuming taxpayer dollars.
- Flag all programs that have been operated for 3+ years without performance measures as immediate review priorities. These are zombie programs, most likely consuming resources without delivering value.
- Require every grant recipient to demonstrate measurable outcomes or face immediate defunding. Taxpayer dollars should not be renewed on faith. Instead, every grant must show what it accomplished and what would be lost if funding stopped.
- For multi-function contracts (enterprise IT, fleet maintenance, liability insurance), allocate costs to each decision unit by a defensible cost driver but also subject the contract itself to a standalone review. A $3 million IT contract spread across twelve departments gets scrutinized by none of them unless someone owns it as a whole.

KNOW YOUR PEOPLE COSTS (OR YOU KNOW NOTHING)

Personnel is the single largest expenditure in every general fund department. Yet most budget documents show "Personnel Services" as one fat line. That is useless for ZBB. Each decision unit must include a personnel schedule showing, for every job classification: FTE count (authorized vs. filled), average base salary, and the fully loaded cost per position. The loaded-cost formula:

Base Salary + Overtime + Special Pay + FICA + Pension (by class) + Health Insurance + Fringe Benefits + Workers' Comp + OPEB Accrual + Overhead Allocation

Why does this matter? Because a data analyst who costs $65,000 in salary may cost $100,000–$125,000 fully loaded. A sworn police officer in the Florida Retirement System (FRS) Special Risk Class carries a pension contribution rate roughly double that of a Regular Class employee. Without loaded costs, you cannot meaningfully compare hiring versus contracting, identify classification mismatches (sworn officers doing civilian work, engineers doing data entry), evaluate supervision ratios, or construct credible funding scenarios. "Reduce by 5 FTEs" is no more than a talking point and provides little to go on regarding what FTEs can be cut and the programs and services that can be conducted with or without. "Eliminate two vacant Maintenance Worker II positions ($142,000 loaded), one vacant Code Enforcement Officer ($118,000 loaded), and defund two unfilled Planner I lines ($226,000 loaded)," and plan to conduct 40 fewer maintenance evolutions, is a budget decision.

THE TAXPAYER TEST

Before any program is approved for continued funding, apply this simple standard: Could a budget analyst stand before a room of taxpayers, explain this program and its cost, and receive a nod of approval? If the answer is no — if the program would provoke confusion, anger, or laughter — it has not earned its place in the budget. Could you justify $9 million for art at a detention center? $500,000 for a "Country Fest"? $1 million in grants to organizations that sue the state? If not, ZBB would have caught it.

THE JUSTIFICATION GAUNTLET

Every program must pass through this decision tree before receiving continued funding.
The Gauntlet makes ZBB feel rational and step-by-step, not political or arbitrary.

The Justification Gauntlet
(Should the Government do this at all?)

START: *[Program Under Review]*

Q1: Is this program legally mandated?
- **YES** → Classify as Tier 1. Fund at required level.
- **NO** → Continue to Q2.

Q2: Does this program have measurable performance outcomes?
- **NO** → FLAG: Require measures within 90 days or eliminate.
- **YES** → Continue to Q3.

Q3: Is this program meeting its performance targets?
- **NO** → Restructure, reduce, or eliminate.
- **YES** → Continue to Q4.

Q4: Could this service be delivered more cost-effectively?
- **YES** → Pursue the alternative. Reallocate savings.
- **NO** → Continue to Q5.

Q5: If this program did not exist, would you create it today?
- **YES** → FUND. Program has earned its place.
- **NO** → ELIMINATE or fundamentally redesign.

FLORIDA-SPECIFIC CONSIDERATION

Florida's Government-in-the-Sunshine Law (Chapter 286, F.S.) ensures that all ZBB deliberations conducted by the governing body occur in public. This is a feature, not a bug: public justification hearings create natural accountability. Staff should be prepared to present justification packages in open session.

The Kitchen Table Test: A family doesn't build its budget by starting with last month's dining-out total and adding 10%. They start with the mortgage, then insurance, then groceries. Restaurants only make the budget after every essential is covered. That is the difference between incremental budgeting and ZBB.

ASSIGNING ORGANIZATIONAL RESPONSIBILITIES FOR ZBB

The organizational structure of the ZBB process is as important as the analytical content of the packages themselves. This includes decisions such as where decision packages are developed, how rankings are consolidated, and where funding decisions are made. Poor organizational design produces either unmanageable volume or insufficient analytical depth.

Where to Develop Decision Packages

Decision packages should be formulated at the organizational level where managers have detailed operational knowledge and direct responsibility for the activities being analyzed. In a local government context, this typically means:

- Division or program level for large departments (e.g., within Public Works: road maintenance, fleet management, stormwater, facilities maintenance as separate decision units).
- Department level for small departments where the entire operation functions as a single unit (e.g., a small planning department with fewer than ten employees).
- Service or activity level for functions that cross departmental boundaries (e.g. emergency response, cybersecurity).

Four factors determine the right level: (1) the size of the operation, because small units cannot meaningfully be subdivided; (2) the availability of genuine alternatives at that level; (3) the organizational level at which meaningful funding decisions can actually be made; and (4) available time and analytical capacity, particularly in Year 1.

ADDRESSING COMMON PROBLEMS IN DECISION PACKAGE FORMULATION

Six common problems arise during package formulation. Each has a practical solution:

- Determining which activities warrant separate packages. This is a judgment call that depends on the size and complexity of each operation. Small units (five or fewer employees) may warrant a single package for the entire function. Larger units should be broken into discrete sub-functions, each with its own package. The key tests: can higher management make meaningful funding decisions at this level of detail, and can the activity be described in terms of meaningful output at this level?
- Setting the minimum level of effort. For a variety of reasons, managers will resist identifying a minimum below their current operating level. However, unless workloads have increased significantly and recently, claims that the minimum level cannot be below the current level are generally not credible. This is particularly true for any function that has implemented new automation technologies or added new staff in recent years. In the experience of ZBB innovator Peter Pyhrr, the minimum level was typically set at 50 to 70 percent of the current operating level. More recent experience in government ZBB settings has found that functions should either be discontinued, consolidated, or set at 65%-80% as a minimum operating level. This does not mean the minimum will be funded. Rather, management needs to see what a reduced-but-functional operation looks like in order to make informed trade-offs.
- Protecting headcount at the expense of effectiveness. Managers naturally protect their people. But a minimum level that keeps all personnel while cutting operating expenses often produces a worse outcome. For example, a maintenance worker without adequate materials and supplies loses effectiveness. The minimum should reflect the optimal mix of people and operating resources, not simply the current headcount minus dollars.
- Identifying meaningful performance measures. For many government activities, meaningful work measures are difficult to identify, and historical data metrics are often missing. The absence of work measures on any package should be treated as an automatic red flag. The identification of meaningful measures during ZBB should initiate the development of performance tracking that persists beyond the budget cycle.

- Cost overestimation. There is a definite tendency for managers to overestimate costs to allow leeway. Any overcosting promotes loose budgets and reduces the number of packages that can be approved within expenditure guidelines. The ZBB Task Force should establish cost validation procedures and audit a sample of packages for cost accuracy.
- Neglecting cost reduction opportunities within high-priority activities. High-priority programs still have opportunities for efficiency gains. The search for these reductions must be explicitly required: managers should not assume that a high ranking exempts their program from efficiency analysis. For example, one jurisdiction reviewed by Florida DOGE provided taxpayer-funded SUVs not only to law enforcement officers, but to all civilian staff whose responsibilities included, in any part, visits to crime scenes. This included public affairs personnel, some of whom used the vehicles for official visits only 4-6 times per month: an expensive use case, and one far removed from the core law enforcement function.

Chapter 9: Phase 4 — Ranking and Prioritization (Months 4–5)

With justification packages in hand, the governing body must now rank programs in order of priority. This is the step that transforms analysis into decision-making. A standardized scoring rubric ensures that ranking is based on objective criteria, not political relationships or bureaucratic momentum.

THE SCORING RUBRIC

Every program is scored across five dimensions. Each dimension is weighted to reflect its importance in relation to the jurisdiction's priorities. The rubric provided in Appendix C can be customized, but the five dimensions should remain constant.

DIMENSION	WEIGHT	WHAT IT MEASURES
Necessity	25%	Is this a core government function and/or is it required in its current form by one of the following: the state constitution, state statute, local charter, or federal law?
Community Impact	25%	How many residents does this program serve, and how directly? Public safety scores highest.
Performance Results	20%	Is this program meeting its measurable outcomes? Programs with no measures score zero.
Cost-Effectiveness	15%	What is the cost per unit of outcome? How does it compare to alternatives or peer jurisdictions?
Strategic Alignment	15%	Does this program align with the governing body's adopted priorities and the community's stated needs?

KEY ACTIONS

- Apply the standardized scoring rubric to every decision unit.
- Present the ranked list to the governing body in a public session.
- Identify the funding line: programs above the line are funded; programs below must make the case for restoration or be eliminated.
- Use the Priority Stack framework to ensure Tier 1 services are funded before any Tier 3 or 4 programs.

FLORIDA-SPECIFIC CONSIDERATION

Florida's constitutional officers (the Sheriff, Clerk of Courts, Property Appraiser, Tax Collector, and Supervisor of Elections) operate independently under Article VIII of the Florida Constitution. ZBB reviews of these offices should be encouraged with the understanding that while the county commission approves their budgets, operational direction remains with each constitutional officer. All constitutional officers should follow the same ZBB framework: full program inventory, tier classification, justification packages, and performance measurement. Focus reviews on spending levels, staffing ratios, and performance benchmarks rather than operational decisions. The independence of constitutional officers should not exempt them from fiscal accountability.

THE CONSOLIDATION HIERARCHY

Once decision packages are developed at the operating level, they must be ranked and consolidated upward through the organization until a final consolidated ranking reaches the governing body. The consolidation hierarchy should generally follow the existing organizational structure: department heads consolidate their division rankings, the budget office consolidates department rankings, and the chief executive presents the consolidated ranking to the commission or council.

However, cross-organizational rankings can be valuable when similar functions exist across multiple departments. At Texas Instruments, computer operations packages from all divisions were ranked together to establish corporate-wide IT priorities. In a local government, this principle applies to functions like communications staff scattered across departments, IT systems maintained by individual agencies, or grant programs administered by multiple offices. The operational deep dives in Part IV of this handbook into areas such as legal spending, communications, and grants help illustrate areas where cross-organizational ranking adds the most value.

MANAGING VOLUME: THE CUTOFF METHOD

Large jurisdictions will generate hundreds or thousands of decision packages. Reviewing and ranking every package at every consolidation level is neither feasible nor necessary. Pyhrr developed the "cutoff expenditure level" method to solve this problem, and it remains the most practical approach for large organizations:

- At the lowest budgeted unit: managers rank ALL of their packages.
- At each successive consolidation level: a cutoff percentage is established (for example, 70 percent of the current budget level – this can also be set in absolute budget terms). Importantly, the cutoff level should generally not be expressed as a specific number of decision packages because of the uncertainty of how large each package is – something that can vary widely. Packages that fall within the cutoff are listed and briefly reviewed but not individually re-ranked. Only packages below the cutoff, which are the discretionary and marginal activities, need to be actively ranked and evaluated at the consolidation level.

It is important that the packages that are within the cutoff be listed and included to give management a sense of the entire body of work and operations of the organization, as well as to satisfy all stakeholders that the ZBB includes a review of all meaningful alternatives, cost reduction opportunities, and possibilities for improving effectiveness and efficiency. A high-level review of these packages, however, takes much less time in management review than a full-scale ranking process.

Note that the number of packages to be reviewed will increase at each successively higher organization level. So, the cutoff expenditure levels will likely need to increase at each higher level as well.

- At the top level: the governing body reviews consolidated rankings and establishes the funding cutoff for each major organizational unit. Packages above the line are funded; packages below it are not.

This method ensures that top management's time is spent on the decisions that matter most. These discretionary trade-offs at the margin are where time and energy are best spent, not on reconfirming that police and fire services should be funded. It also prevents the common failure mode where elected officials become overwhelmed by volume and default to incremental decision-making.

One important lesson from Georgia's experience with zero-based budgeting: cutoff levels must not be confused with minimum effort levels. A 70 percent cutoff at the consolidation level means that packages within 70 percent of the current budget are not re-ranked at that level. It does not mean that every activity must identify a minimum at 70 percent or below. Conflating these two concepts caused significant confusion in Georgia's first year.

THE RANKING COMMITTEE

At higher consolidation levels, rankings should be performed by a committee rather than an individual, because the expertise required to evaluate diverse packages is best obtained from multiple perspectives. Pyhrr documented three voting mechanisms that have been used successfully:

- Single-scale voting. Each committee member assigns a priority score (e.g., 1 to 6) to each package. Scores are summed to produce the ranking. This is the simplest method and works well for subjective overhead and service activities. Practical tip: use an even-numbered scale (6 or 10 points) rather than odd. Why? Odd scales allow committee members to avoid decisions by voting for the middle number on most packages.
- Multi-criteria voting. Each member scores packages on several weighted criteria — for example: legal or operating requirement (weight: 40%), impact or leverage (weight: 30%), risk of not funding (weight: 30%). This method produces more defensible rankings for politically sensitive decisions.
- Combination approach. Use single-scale voting for initial ranking of all packages, then apply multi-criteria analysis to packages in the "decision zone" around the anticipated funding cutoff. This focuses analytical effort where it matters most.

In the early application of ZBB at Texas Instruments, the final ranking committee reviewed approximately 300 packages over two days. Members received ranking materials in advance. Each department was allotted presentation time proportional to its number of packages. After all presentations, a consolidated ranking was produced based on total votes, then the committee reconvened to review the results, discuss disagreements, and finalize the ranking. This same procedure of: 1) advanced preparation; 2) structured presentations; 3) voting; 4) consolidation; and 5) review session; is directly applicable to a county commission or city council ZBB process.

- Use the Priority Stack framework to ensure Tier 1 services are funded before any Tier 3 or Tier 4 programs.

THE IMPORTANCE OF DESIGN

Peter Pyhrr identified "effective design of the system" as one of the three critical make-or-break elements to succeeding with ZBB, and subsequent experience bears out this insight. Here, this means designing the system to meet the needs of the local government, rather than taking a one-size-fits-all approach. The depth of analysis, the number of consolidation levels, and the mechanics of ranking should all be tailored to the jurisdiction's size and organizational structure. Of equal import is to make the decision package format one that matches with your local government's management capacity. If decisions are presented in a way that prevents answers from being made – or seems to require a consultant or outside expert to make them – the complexity likely needs to be simplified.

SIMPLIFYING THE RANKING PROCESS

The ranking process is where ZBB encounters the most psychological resistance. Managers accustomed to incremental budgeting have never been asked to explicitly prioritize their activities against each other. Two practical principles reduce this friction:

- Do not waste resources in ranking high-priority packages. Packages that are clearly essential and well within expenditure guidelines need not be agonized over. The analytical effort should concentrate on discretionary functions and on the levels of effort where genuine trade-offs exist.
- Do not over-refine adjacent rankings. It is not important whether package 4 is ranked above or below package 5. What matters is that packages 4 and 5 are both ranked above package 15, and package 15 is above package 25. Broad ordering is more important than precise sequencing.

EVALUATING DIVERGENT PROGRAMS AND ACTIVITIES

Senior-level managers and executives often worry at the outset that it will be difficult to compare and rank dissimilar functions, particularly when those determinations seem to be subjective. However, those who have engaged in zero-based budgeting have found that their comfort level quickly grows after reviewing a set of decision packages. When decision-makers become familiar with the specific trade-offs and accept that ranking and making trade-offs among priorities is a necessity, most find that the process becomes straightforward, even natural.

Chapter 10: Phase 5 — Budget Assembly and Public Review (Months 5–6)

The ranked program list now becomes the basis for the proposed budget. This is the phase where ZBB results are integrated with the annual budget process and presented to the public.

KEY ACTIONS

- Assemble the proposed budget using ZBB rankings as the primary allocation framework.
- Prepare a side-by-side comparison: the ZBB-informed budget versus what the budget would look like under incremental assumptions.
- Highlight key opportunities that ZBB has surfaced.
    - Where lowering goals can lead to outsized savings.
    - Where current costs depend heavily on the ineffectiveness or inefficiency of current activities.
    - Where programs can be eliminated altogether to permit the funding of new activities that constituents highly desire, or to permit the return of funds to their proper owners, the taxpayers.
    - Where new goals can be achieved efficiently through extensions of current programs.
    - Where programs are failing to achieve their goals and additional effort cannot reasonably be expected to change this result.
- Publish ZBB results, including program rankings, justification summaries, and recommended eliminations, 30 days before budget adoption to allow public review.
- Consider allowing public comments online and using AI tools to analyze, summarize, and consolidate those comments for both management and public review.
- Hold at least one dedicated public hearing on ZBB findings, separate from the TRIM hearings.
- Present the millage rate implications of ZBB findings at the TRIM hearing.

FLORIDA-SPECIFIC CONSIDERATION

The TRIM process (Section 200.065, F.S.) requires two public hearings before the final millage rate is adopted. ZBB results should be published and publicly discussed before the first TRIM hearing so that residents can see the connection between program justification and their tax bill.

Chapter 11: Phase 6 — Implementation and Monitoring (Ongoing)

Adopting a ZBB-informed budget is not the finish line; it is the starting line. Without ongoing monitoring, programs that were restructured or reduced will drift back toward their pre-ZBB spending levels. Monitoring must be systematic, public, and consequential.

KEY ACTIONS

- Establish quarterly performance reporting for all programs reviewed under ZBB.
- Conduct a mid-year checkpoint comparing actual spending to ZBB-approved levels.
- Create a public “Savings Dashboard” on the jurisdiction’s website showing ZBB results: programs eliminated, programs restructured, dollars saved, and millage impact.

- Require department heads to explain any variance greater than 5% from ZBB-approved levels.
- Report on ZBB outcomes to the governing body in public session at least twice per year.
- Track all reorganizations and require post-reorganization FTE reductions within 12 months. The goal should be to avoid reorganizations that increase headcount, or derail organizations from their activities without corresponding efficiency benefits.

FLORIDA-SPECIFIC CONSIDERATION

Florida's fiscal year runs from October 1 to September 30. A mid-year checkpoint in March or April allows time to course correct before the next budget cycle begins. Align quarterly ZBB reporting with the CAFR preparation timeline to reduce duplicative effort.

DYNAMIC PROCESS MANAGEMENT: ADAPTING ZBB TO CHANGE

A budget is a plan, and plans change. One of ZBB's most significant advantages over incremental budgeting is its built-in capacity to adapt to changing circumstances without recycling the entire budget. ZBB experts have identified four specific capabilities:

- Decision packages can be modified or deleted without upsetting other packages or rankings.
- New packages for emerging programs or activities can be added at any time and slotted into their appropriate position in the ranking.
- Rankings can be revised with changing priorities without rebuilding the entire analysis.
- Top management can revise funding levels either up or down by moving the cutoff line on the ranking without recycling budget inputs from every department.

This last capability is particularly valuable for local governments in Florida (and elsewhere), which face revenue volatility from property values, tourism taxes, and state shared revenues. If mid-year revenues fall short, the ranked list provides an immediate, pre-analyzed guide to which activities should be reduced first. If revenues exceed projections, the ranked list identifies which unfunded packages should be restored first. This eliminates the "across-the-board cut," which may be the easiest form of fiscal management, but is also often the most destructive.

Rebudgeting During the Operating Year

Major changes in operating conditions during the fiscal year may require formal rebudgeting. These are events such as a hurricane, a revenue shortfall, or a federal funding change. Under ZBB, the rebudgeting procedure is straightforward: revise the planning assumptions, identify which decision packages are affected, prepare revised or new packages as needed, and re-rank the affected packages within the existing ranking framework. This is faster and more targeted than traditional budget amendments because the analytical foundation already exists.

Variable Budgeting Integration

For activities where costs vary directly with workload (e.g., building inspections, permit processing, utility billing), ZBB decision packages can incorporate variable budgeting formulas. The package identifies the cost-per-unit relationship, and actual budgets adjust as workload changes. This integration allows the jurisdiction to maintain budgetary control without constantly revising fixed budget allocations for demand-driven services.

Impact on Performance Accountability

Each approved decision package constitutes a commitment by the responsible manager to deliver specific results at a specific cost. This creates a natural foundation for performance accountability that extends beyond the budget cycle. Managers can be measured against the goals, performance standards, and resource commitments they identified in their own packages. The quarterly performance reporting established in Phase 6 should reference the specific commitments made in each department's approved decision packages.

Impact on Operational Auditing

ZBB enhances operational auditing by providing a documented baseline of what each activity is committed to accomplish and at what cost. At many companies utilizing ZBB, operational reviews begin with a review of approved packages, then proceed with status reports on actual results versus commitments, problems encountered, corrective actions taken, new programs initiated, and unanticipated environmental changes. This approach of auditing against specific commitments rather than against arbitrary benchmarks produces more actionable findings and stronger accountability.

Chapter 12: Phase 7 — Institutionalization (Year 2 and Beyond)

The ultimate goal of ZBB is not just a single year of reform; it is a permanent change in institutional culture. ZBB must be embedded in the jurisdiction's governance framework so thoroughly that it survives changes in elected leadership and staff turnover.

KEY ACTIONS

- Transition to rotating reviews: 20–25% of all programs undergo full ZBB review each year, ensuring complete coverage every four years.
- Adopt sunset clauses for all new discretionary programs: every new program authorized after ZBB adoption must include a three-year expiration date requiring full ZBB justification for renewal.
- Publish an annual ZBB Report Card, grading each department on its justification quality, performance measurement, and cost-effectiveness.
- Codify ZBB requirements in local ordinance to ensure permanence beyond any single elected official's tenure.
- Train incoming elected officials and new department heads on ZBB methodology during orientation.
- Require voter approval for any new dedicated funding mandates (such as Art in Public Places set-asides) that bypass ZBB review.

THE SUNSET CLOCK

Every discretionary program should carry a visible "Sunset Clock: a green/yellow/red indicator showing when its authorization expires.

GREEN	YELLOW	RED
YEAR 1 & YEAR 2	YEAR 3	YEAR 4
• Program recently justified. • Operating within approved parameters.	• Review approaching. • Department should monitor metrics and prepare justification package.	• Full ZBB review required before reauthorization. • Program funding lapses if not rejustified.

FLORIDA-SPECIFIC CONSIDERATION

Georgia codified its ZBB program in statute (O.C.G.A. 45-12-75.1) in 2012. Florida municipalities can choose to embed ZBB in their local charter or code of ordinances. Counties with charters should consider a charter amendment.

The Kitchen Table Test: Every homeowner knows there comes a time when you must stop coating over old paint. Twenty layers of cracking, peeling paint do not need another coat, but to be stripped to bare wood and properly refinished. That is what ZBB does for your budget.

INTEGRATING ZBB INTO THE TOTAL MANAGEMENT PROCESS

ZBB is more than a budgeting technique. Properly implemented, it becomes an operating tool that affects staffing, organizational structure, performance management, and institutional accountability. Pyhrr described this as ZBB's capacity to "go beyond the limited boundaries of budgeting to provide management with an operating tool to adjust the organization to meet the needs and demands of its environment."

Impact on Organizational Structure

The ZBB process requires management to evaluate its organizational structure and identify interrelationships among activities and organizational units. It readily identifies overhead costs and operating problems associated with excessively broad or deep organizational structures. In practice, ZBB often leads to organizational streamlining, not because the process mandates it, but because the evaluation of administrative overhead costs versus direct service delivery costs makes structural inefficiency visible.

Impact on Staffing

Staffing needs under ZBB are determined by the summation of approved decision packages, not by historical headcount. Each package identifies the type and number of people required and their general duties. This provides the personnel function with a rigorous basis for determining hiring needs, establishing manpower inventories, and

maintaining accurate job descriptions. More importantly, packages for current operations that are ranked below the funding cutoff signal positions that should be eliminated through attrition or redeployment, while packages for new high-priority activities that are ranked above the cutoff signal positions that must be filled. The ZBB ranking is, in effect, a workforce plan.

Impact on Performance Management and Institutional Accountability

ZBB enhances accountability, as departments must demonstrate how proposed expenditures contribute to key performance indicators, efficiency gains, or innovation. Traditional input- or activity-based measures such as hours worked or dollars spent may need to be replaced or supplemented by more rigorous and results-oriented measures that may change year-to-year based on the program justifications and priorities. New measures and scoring systems may need to be created.

ZBB facilitates better resource allocation to high-impact activities, eliminating waste and promoting a results-oriented culture. Performance management benefits from tighter integration with budgeting, enabling more objective evaluations and data-driven decisions. This may require changing processes for reviewing performance, using quarterly timelines instead of annual or semi-annual, and focusing reviews on outcome-oriented deliverables.

THE YEAR-OVER-YEAR LEARNING CURVE

Every organization that has implemented ZBB reports significant improvement in the quality and efficiency of the process from Year 1 to Year 2. This improvement is not automatic: it requires a deliberate post-implementation review. After the first ZBB cycle is complete, the Task Force should conduct a formal critique addressing:

- Were planning assumptions adequate and timely? If not, what specific assumptions were missing or inaccurate?
- Did decision packages accurately reflect the choices available? Were the minimum levels realistic? Were alternatives genuinely evaluated or treated as a formality?
- Did the ranking process produce defensible results? Were the right people involved? Did volume overwhelm the process?
- Were the final funding decisions informed by the analysis, or did the process degenerate into political negotiation despite the analytical framework?
- What specific improvements should be made to forms, procedures, training, and timeline for Year 2?

Georgia's formal critique after its first year of ZBB identified specific improvements in every area — from package format to computer systems to the review process by senior officials. The state's recommendation was to maintain the basic ZBB structure with targeted refinements, not to abandon or fundamentally redesign the process. This is the expected pattern. Year 1 will be imperfect. The goal is a foundation that improves with each cycle, not immediate perfection.

Chapter 13: Beyond Phase 7 - Including Capital Projects in ZBB

Not only is capital spending among the most significant portion of local government budgets, but many capital projects create ongoing requirements to hire personnel, subsidize operations, license IT systems, engage in maintenance, supply security services, and other recurring costs. Once the decision to incur the capital expense is made, these downstream costs become treated as baseline obligations, not as decisions that require fresh justification. So, a zero-based budgeting approach to capital projects requires taking into account these costs and asking whether the city or county will be able to afford them, and how. We call this "Tomorrow's Bill Test": before

any capital project is approved, the jurisdiction must demonstrate – in writing, with identified funding sources – that it can pay the recurring bills the project will generate, not just the construction tab. If a project passes the capital budget screen but fails the operating budget screen, it should not proceed until the operating gap is closed.

How does this work?

THE AFFORDABILITY GATE

Before a capital project advances to detailed design and decision-packaging, it must first pass a threshold fiscal test. The local government unit should calculate the project's total annual carrying cost – debt service, operations, maintenance, and replacement reserves –and express it as a percentage of the jurisdiction's unrestricted general revenue, as well as the annual cost of the program or function for which it is being adopted. The local government should then adopt a tolerance threshold, such that any project with an annual carrying cost exceeding that level, should require additional procedures for public discussion and/or approval.

As a general rule of thumb, a total annual carrying cost that exceeds 1% of unrestricted general revenue, total capital-driven carrying costs above 10% of general revenue, or 25% of the annual cost of a program or function (for example, a new park complex whose costs would exceed 25% of the existing annual park costs), can be a starting point for establishing thresholds. Enhanced procedures could include higher voting requirements (such as a super-majority) for governing-body approval and a fiscal impact statement published prior to public debate demonstrating how the costs will be absorbed without degrading existing services. Such tests are not prohibitions, but are intended to ensure large commitments receive careful scrutiny before detailed planning dollars are spent and before jurisdictions are committed to enlarged baseline budget burdens in perpetuity.

Step 1: In Designing The Capital Project, Estimate Full Lifecycle Costs, Including Operating Costs

Start by clearly outlining the project's scope, objectives, and alignment with statutory responsibilities or community needs, and identify the activities that are expected to take place. Include as an objective a stated annual cost burden that is consistent with the available budget, with an identified source for those annual expenses under a range of revenue scenarios. Cost calculations should include all of the following.

Initial Capital Outlays: One-time expenses like design, construction, and equipment acquisition.

Debt Service: If the project is financed, the full cost of borrowing must be stated alongside the capital figure. For example, a $100 million project financed over 25 years at 5% will cost approximately $160 million in total debt service. The debt service figure, not the sticker price, is the relevant number for fiscal planning purposes.

Ongoing O&M Costs: Recurring expenses post-completion, such as personnel salaries, utilities, maintenance, contracts, insurance, supplies, and support for any one-time activities or events that the facility will enable. Estimate these over a multi-year horizon (e.g., 5-10 years) using historical data and unit costs (e.g., cost per square foot for facility maintenance). Make sure inflation is accounted for in these costs.

Replacement and Major Repair Reserve: Capital assets deteriorate. The lifecycle cost estimate should include an annual reserve contribution sufficient to fund major component replacement (roofing, HVAC systems, paving, fleet replacement) without requiring a future capital appropriation that has not been planned for. A common benchmark is 1.5-2.5% of replacement value annually, adjusted for asset type and expected useful life.

Revenue Projections: Assess if the project will generate revenues. This can include rental fees or ticket sales, user fees, advertising sales, etc. The difference between such revenues and the ongoing costs will define the operating subsidies the project will require.

Step 2: Develop Decision Packages That Establish Future Operating Subsidies As A Key Decision Criterion

As with other ZBB activities, organize the project into "decision units" for aspects of the project's scope and design (e.g., whether a new park should include pickleball courts) and create decision packages – discrete bundles of activities, costs, and outcomes. Each package must justify the entire expense from zero, including operating subsidies and other ongoing expenses.

Proper planning for a capital project like this involves adjusting requirements, designs, and capabilities not only to minimize capital costs, but to fit future operating budgets. Calculate the net subsidy required from general revenue by subtracting projected revenues from total lifecycle costs.

Package Structure:

Base Level: Minimum viable operations. A facility designed to provide the bare essentials to meet the purpose of the project as well as legal and safety mandates. This would focus on compliance and basic functionality, with few add-ons such as extended hours or aesthetic upgrades. For example, an office building might fund only core administrative spaces for required departments, plan to operate only during business hours, and be designed for basic comfort standards.

Standard Operations Level: A facility designed to maintain the status quo and provide reliable, everyday functionality. This might include additional public spaces for meetings, capacity for future expansions, or advanced energy features that meet policy objectives but incur ongoing maintenance or other operating costs. For example, an office building might include space for community meetings after hours, likely adding to security and energy costs but creating additional community benefits.

Enhanced Level: Expanded features that may require higher subsidies and therefore strong justification. This might include extras such as aesthetically pleasing or architect-driven designs, street-level retail, and integrated electric generation capacity to enable usage as a shelter in the event of a power outage or hurricane. Such features may add both costs and potential revenues (or offset costs elsewhere), making rigorous assessment and scenario evaluation a necessity.

In the ZBB framework, each of these decision packages will need to detail not only the extent of ongoing costs but also how they will be funded. If new revenues, or other dedicated sources such as tourist development taxes fall short, justifications need to quantify the general revenue subsidy that will be needed and identify the programs that will go unfunded if overall revenues remain flat.

Step 3: Analyze Alternatives And Rank Packages

Before evaluating the decision packages, establish a "Do Nothing" baseline. What happens if the project is not built at all? In some cases, the Do-Nothing option carries real costs – deferred maintenance that compounds, safety risks, or lost revenue from an aging facility. In other cases, the Do-Nothing option is perfectly viable, and the capital project is discretionary. Either way, making the Do-Nothing baseline explicit forces a jurisdiction to articulate why spending is preferable to not spending, which is the foundational question ZBB exists to ask.

Ensure Consideration of Best Alternatives in Each Package: Before a decision is made, the packages should be evaluated for efficiency, necessity, and to consider alternatives that could improve the choices being made. This includes options such as:

- Public-private operating partnerships that reduce the operating burden
- Energy-efficient designs that trade higher upfront capital costs for reduced utility costs
- Leasing or renovating existing facilities rather than building new
- Contracting for services that would otherwise require new permanent staff

Alternative Delivery Analysis: Where a project involves ongoing service delivery (not just a physical asset), the analysis should compare delivery models – direct public operation, contracted operation, public-private partnership, or lease arrangement – and select the model with the lowest verified lifecycle costs, not merely the lowest construction cost.

Risk Assessment: Consider uncertainties like rising energy costs or revenue shortfalls, and model scenarios. At minimum, three scenarios should be evaluated: a baseline projection using conservative assumptions, an optimistic scenario, and a stress scenario reflecting a 15-20% decline in projected revenues. The stress scenario is particularly important because capital commitments are difficult to reverse once made, and the operating obligations they create will persist through economic downturns.

Ranking Process: The more that significant operating subsidies are anticipated as a possibility, the greater the need for wider input into the decision-making process. This may involve organization-wide rankings that assess the potential impacts on other activities of future subsidies. Where a project requires ongoing general revenue subsidy, the ranking submission should name the specific existing programs or positions that will be reduced or eliminated to fund that subsidy if revenues remain flat. Vague references to "efficiency gains" or "anticipated growth" are not acceptable substitutes for identified offsets. High-value and high-subsidy projects should be determined by executive review and with public input, with the potential tradeoffs and revenue needs clearly set forth. ZBB also emphasizes transparency in the alignment of projects and rankings with strategic plans and other jurisdictional priorities.

Step 4: Overall Budget Integration And Monitoring

Budget Integration: Although many smaller capital projects are approved as part of the annual budget cycle, major projects may be approved out-of-cycle. Regardless, expected future operating subsidies should be integrated into the budget immediately by designating and noting which current expenditures will be reduced or discontinued to provide for the expected future subsidies. This creates ongoing awareness of the tradeoffs and a warning that current spending priorities will be shifted in accordance with the priorities set to support capital programs.

Monitoring: Post-completion, track actual vs. projected performance metrics, including operating subsidies. Annual reporting on the performance of all such projects will assist future forecasting and decision-making. As with other performance measures, these should have meaning for a city's residents: "Twelve new businesses opened within a four-block radius" is a measurable outcome for aesthetic improvements to the downtown business district. "Increased sense of civic pride" is not.

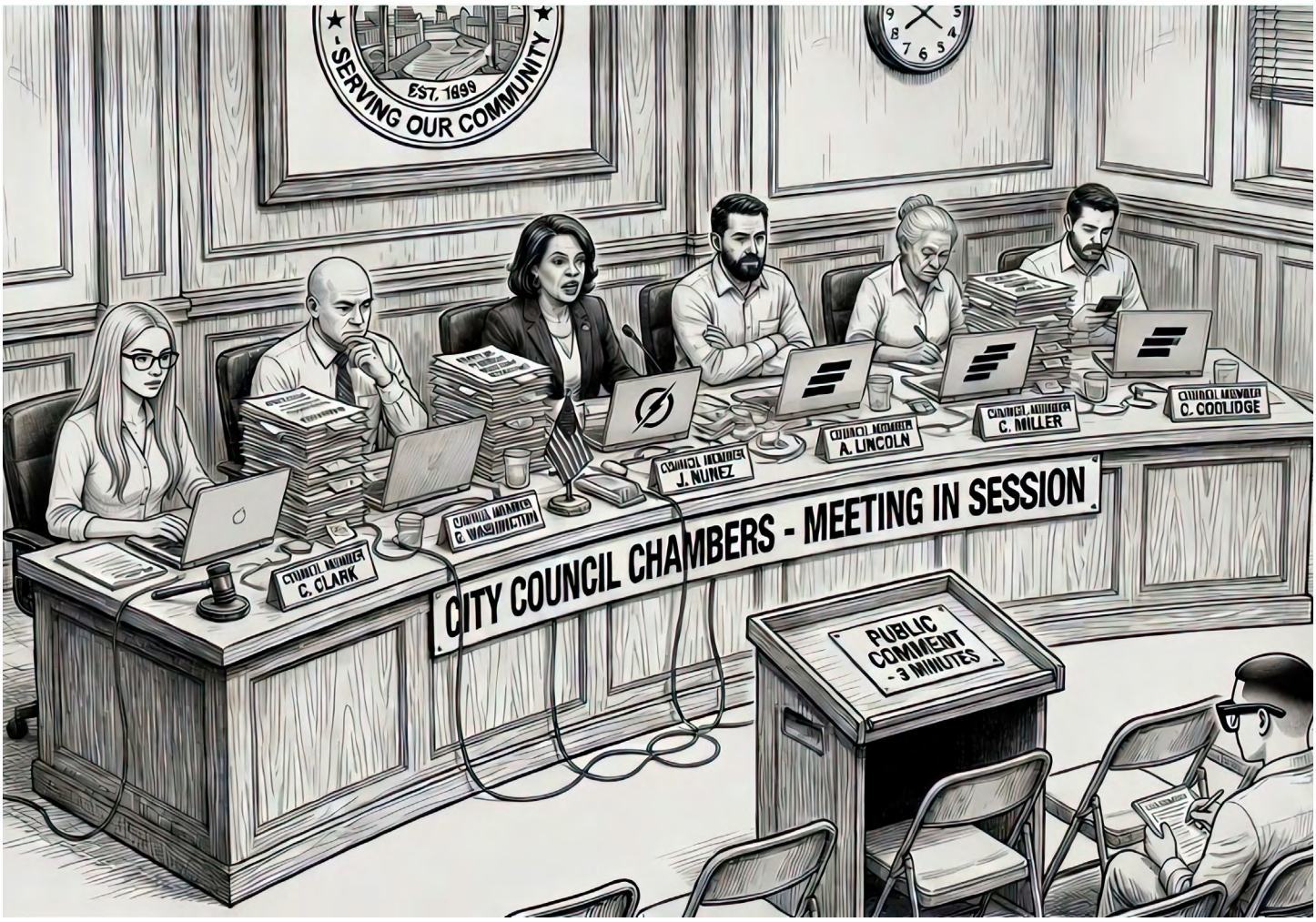
THE COST OVERRUN RE-JUSTIFICATION RULE

Responsible decision making is not the end for multi-year projects. Capital projects frequently exceed their approved budgets. When they do, the additional spending is typically treated as an incremental decision – "we have already spent X, so we must spend the additional Y to finish." This is a textbook sunk-cost fallacy, and it is precisely the kind of reasoning ZBB is designed to interrupt.

Any capital project that exceeds its approved total project cost by 15% or more should be required to undergo a re-justification review before additional funds are appropriated. The review should answer four questions:

1. Would this project be approved today at the revised cost, against the current set of competing priorities?
2. Do the revised lifecycle operating costs still pass the Affordability Gate?
3. Can the project be descoped to a lower decision package level that fits within or closer to the original budget?
4. Is termination or suspension less costly than completion, setting aside money already spent?

The point is not that overrun projects must always be cancelled. It is that the decision to continue must be made with the same rigor as the original decision to begin, rather than treated as a foregone conclusion simply because money has already been spent.



PART III
SOME SPECIFIC ZERO-BASED BUDGETING APPLICATIONS

Chapter 14: Legal Spending — A Tricky Analysis

Most local governments employ a mix of means to tackle their legal needs: lawyers assigned to individual departments, an office for a general counsel or similar central legal entity, and then outside counsel. Top executives and elected officials alike are reluctant to question legal spending, because if reduced legal staffing will increase litigation exposure, the effect is personal: public officials who may be named as defendants in lawsuits are not inclined to elevate that risk. This dynamic gives legal departments budget protection that no other department enjoys.

Florida DOGE's review of local government legal spending identified several key considerations for use in zero-based budgeting. As foreshadowed above, one is fragmentation: legal expertise that is housed separately in central

offices and agency-embedded lawyers sometimes is not leveraged efficiently, and can lead to an excessive amount of retention of outside counsel. Another is the complete substitution of outside attorney expertise for in-house counsel. Although it can be painful for a city manager or county administrator to hire an in-house attorney at a salary eclipsing his own, if outside counsel expenses are running multiples of an FTE cost on a regular basis, that reliance may be in error. And while the absence of hourly billing is a key attraction of government legal practice, it is important to have performance measures for government counsel in order to be able to make wise decisions about what the legal needs of a government really are. The table below shows possible performance measures.

ZBB LEGAL PERFORMANCE MEASURES

MEASURE	WHAT IT TRACKS	BENCHMARK
Cost per legal matter	Total legal spend ÷ number of active matters	Peer Florida counties by population
Outside counsel cost per engagement	Total outside fees ÷ number of engagements	Market rates; peer jurisdictions
Settlement-to-exposure ratio	Actual settlements ÷ pre-litigation estimates	5-year internal trend; insurer benchmarks
Average time to resolution	Days from opening to disposition	State court processing reports
In-house vs. outside cost ratio	% of work done in-house vs. outsourced	Target: 70–80% in-house for routine
Attorney utilization	Productive hours ÷ available hours	Industry standard: 1,700–1,900 hours/year
Litigation avoidance	Matters resolved pre-litigation ÷ total	Internal trend; risk management data
Cost per FTE	Total legal spend ÷ legal FTEs	Peer county comparison

THE ZBB PROCESS FOR LEGAL SPENDING

- **Step 1: Legal Spending Inventory.** Assemble all legal costs: in-house staff, outside counsel by firm, settlements, insurance, and legal technology. Include all positions added in the last three fiscal years, with the justification for each.
- **Step 2: Performance Measures.** Establish the eight performance measures above. A legal department needs to be able to demonstrate its performance to forecast its needs and explain its spending to taxpayers.
- **Step 3: Justification Gauntlet.** Run each category through the Five Questions. Every attorney position and every legal service contract should earn its place. Outside counsel engagements should be planned for in the budget, but when they occur, should be treated like capital expenses.
- **Step 4: Legal Spending Report Card.** Annually present total legal spending, performance against all eight measures, peer comparison, and risk trend assessment in a public session.

DETAILED WALKTHROUGH

The legal spending inventory must capture costs scattered across the budget. Begin by consolidating all the following into a single analysis:

- County/City Attorney's office personnel costs (salaries, benefits, overtime), including all positions added in the last three fiscal years, with the justification for each addition
- Outside counsel fees by engagement, matter type, law firm, and total spend per firm over the last three years. Flag any firm receiving more than double the average cost of an internal legal FTE annually.
- Settlement and judgment payments: current year total, five-year trend, and the ten largest individual settlements. Identify the categories that generate recurring claims (employment, slip-and-fall, code enforcement, use-of-force).
- Legal technology subscriptions (Westlaw, LexisNexis, case management). Conduct a utilization audit: how many licensed users actually log in?
- Risk management and insurance premiums. Request the insurer's assessment of the jurisdiction's risk profile trend.
- Legal costs buried in other departments, such as attorneys and legal advisors employed outside the county attorney's office.

Apply the Gauntlet to each category.

In-house positions: What is the ongoing workload? Under ZBB, every position starts unjustified and must earn its place through demonstrated caseload and outcome measures.

Outside counsel: Was each engagement competitively procured? Is the hourly rate benchmarked? Is there a cap on total fees? Was there an evaluation of whether the procurement was the necessary and efficient way to go?

Settlements: What is the five-year trend? Can recurring claim types be addressed at the policy level to better manage risk?

Chapter 15: Communications Activities

What was once a single public information officer has grown into large multi-staff departments with social media teams, video production units, graphic designers, and brand strategists. The question ZBB asks is not whether communication matters, but whether the current investment is justified by measurable outcomes.

One private-sector ZBB assessment identified four different sub-organizations, each focused primarily on "brand and social media," and executives concluded they were redundant categories that should be consolidated with reduced headcounts and spending.

Florida DOGE's review identified three categories of common communications expenses, which can be ranked for ZBB purposes.

THE THREE-TIER CLASSIFICATION

- **Tier 1 — Mandatory:** Emergency call centers, emergency alerts, legally-required notices, public information law/sunshine compliance (agendas, minutes, public records), ADA-required materials. Funded at the required level.
- **Tier 2 — Core Informational:** The jurisdiction's website, utility billing communications, permit information, citizen contact centers, and meeting broadcasts. Must justify service level against cost per resident reached and response times.
- **Tier 3 — Promotional:** Social media campaigns, ceremonial events, video production beyond meetings, brand strategy, consultant-developed messaging. Last to be funded, first to be cut. Requires full ZBB justification every cycle.

COMMUNICATIONS PERFORMANCE MEASURES

MEASURE	STANDARD
Cost per resident reached	Total communications spend ÷ population. Compare to peer jurisdictions.
Channel effectiveness	Engagement metrics relative to cost per platform. A $150K/year social media account reaching 2,000 people costs $75/impression.
Mandatory vs. discretionary ratio	% of spending in Tier 1 vs. Tier 3. If Tier 3 exceeds Tier 1, priorities are inverted.
Consultant ROI	Deliverable, measurable outcome, competitive procurement status for every contract. Flag any renewed 3+ years without rebid.
Staff-to-population ratio	Total communications FTEs per 100,000 residents. Compare to peer jurisdictions.
Duplication audit	How many departments maintain their own communications staff? Can they be consolidated?

THE ZBB PROCESS FOR COMMUNICATIONS

As with legal spending, communications costs are distributed across the budget in ways that obscure their true scale. A complete inventory must capture the following:

- Central communications/public affairs office staff and operating costs.
- Departmental communications staff: public spokespeople, social media coordinators, and content creators embedded in individual departments outside the central office.
- External communications consultants and public relations firms. In some jurisdictions, Florida DOGE found these to be high-priced spending items.
- Video production and graphic design contracts.
- Social media management tools and platform subscriptions.
- Printing, mailing, and physical distribution costs.
- Community engagement events classified as "communications" rather than service delivery, such as events that serve the government's message rather than the public's need.
- Brand development, logo redesign, style guide creation, and related consulting.

Chapter 16: Grants and Community-Based Organization Funding

Many local governments find grants to community-based organizations (CBOs) to be difficult to cut. Every grant has a constituency. Every funded organization will appear at public hearings to advocate for continued funding. Many grants are justified by the claim that "if we don't provide this grant, the government will have to take on the responsibility." These dynamics mean that grants, once established, often tend to be budgeted from the established baseline, with the only possibility an increase (except, occasionally, in times of budgetary crisis or across-the-board cuts). ZBB demands that they be questioned on a number of dimensions: will this activity truly perish without government funding? Is this grant producing measurable results, or just the illusion of action?

THE ZBB GRANT STANDARD

Every grant must pass through the Justification Gauntlet. For each grant, the inventory must document: recipient name and mission, amount and duration of funding, what percentage of the organization's total revenue the grant represents, whether performance measures exist, executive compensation at the organization, and whether the grant was competitively awarded.

Minimum performance requirements:

- Number of individuals or households served
- Cost per person or household served
- Measurable outcome (not output): not "we held 12 workshops" but "85% of participants demonstrated improved [specific skill/condition]"
- Independent verification for grants exceeding $100,000

Any organization that cannot demonstrate measurable outcomes after receiving taxpayer funds for multiple years should not be a continued grant recipient. Whatever your jurisdiction thinks of grants to faith-based institutions, it should frown on faith-based grant renewals.

APPLYING THE GAUNTLET TO GRANTS

Each of the Five Questions applies specifically to grant spending:

- **Q1 — Legal mandate?** Is this organization's work legally mandated? If yes (e.g., Legal Aid funding required by statute), fund at the mandated level.
- **Q2 — Would you create it today?** If this grant did not exist, would you create it today? Many grants are to organizations that receive a great deal of funding from non-government sources – or would receive such funding if the public spigot were turned off. Likewise, many grants fund activities that made sense when created but no longer align with community needs. A grant addressing a problem that has been solved, or that was never solved despite years of funding, has not earned renewal.
- **Q3 — Performance measures?** Does this grant have performance measures? If no, issue a 90-day directive: establish measures or lose funding. And then, are those metrics being maintained and audited?
- **Q4 — Meeting targets?** Is the organization meeting its targets? If not, reduce or eliminate. No multi-year continuation of demonstrated non-performance.
- **Q5 — Cost-effective delivery?** Could the same outcome be achieved at lower cost through a different provider, consolidation, or direct government delivery? If the county funds three organizations providing job training in overlapping geographies, could one organization with a larger grant deliver better results?

THE REAL-WORLD LESSON

One county distributed $35 million annually to CBOs and nonprofits. Applying the standards described above, Florida DOGE's review recommended a 74% reduction, reducing this by more than $26 million. The review did not recommend eliminating all grants. It recommended eliminating grants without performance measures, serving narrow constituencies, or serving political rather than public purposes. Under ZBB, this analysis would occur every budget cycle, not once in a decade.

Chapter 17: Justifying the positions that make up an organization.

Personnel compensation makes up a large percentage of government agency spending. ZBB treats personnel costs like every other expenditure: what are the functions being performed, are they necessary, how many personnel are required to carry them out, and how much do those people cost?

THE POSITION JUSTIFICATION FRAMEWORK

CRITERION	WHAT MUST BE DEMONSTRATED
1. Mission Necessity	Is this position tied to a program that passed the Justification Gauntlet? If the program is eliminated, the position cannot be justified.
2. Workload Justification	Is the workload sufficient for this position at its current classification? What is the measurable output per FTE?
3. Compensation Benchmark	Is total compensation at, above, or below market for peer FL jurisdictions, the private sector, and state government? A 9% projected increase requires specific market data, not automatic approval.
4. Automation Potential	Could this position's functions be performed by technology, consolidated with another position, or outsourced at lower cost?

STAFFING RATIOS FOR BENCHMARKING

RATIO	PURPOSE
Total FTEs per 1,000 residents	Overall staffing relative to population
Sworn officers per 1,000 residents	Public safety staffing adequacy
Administrative FTEs per 1,000	Administrative overhead relative to population
Admin-to-frontline ratio	Proportion in admin/support vs. direct service
Average compensation per FTE	Total personnel cost ÷ total FTEs
Compensation growth rate vs. population + inflation	Whether per-employee costs outpace justified growth
Vacancy rate by department	Chronic vacancies may indicate unnecessary positions

THE HEADCOUNT REVIEW PROCESS

Step 1: Staffing Inventory (Month 1)

Build a comprehensive position inventory that goes beyond the HR system's organizational chart. The goal is to understand not just how many people are employed, but why each position exists and what it produces.

- Every authorized position (filled and vacant) by department, program, classification, and total compensation, including benefits.
- Vacancy duration for unfilled positions. Positions vacant for 12+ months are strong candidates for elimination. If the work has been getting done without the position, the position may not be necessary.
- Positions funded by grants or special revenue. When the revenue source expires, will the position be eliminated or shifted to the general fund?
- Overtime spending by department and position type.
- Contract and temporary staffing costs, which form a "hidden headcount."
- All positions added in the last three fiscal years, with the original justification and an assessment of whether that justification still holds.

Step 2: Ratio Analysis (Month 2)

Apply each staffing ratio in the table above and compare to 1) the organization's comparable ratios of the past: 3, 5, and 10 years ago; and 2) available ratios for peer cities or counties. A ratio that is significantly above peers, or above what was managed in the past, demands explanation. If a city has 25% more administrative FTEs per 1,000 residents than it did 10 years ago, that's a good sign that a hard look is needed to understand, and if necessary, justify the increase.

Step 3: Compensation Benchmarking (Month 2)

For each position classification, compare total compensation (salary + benefits) to available comparators, such as:

- Peer jurisdictions by population and budget size.
- Private sector equivalents, adjusted for benefits differential.

- State government equivalents, *i.e.*, positions performing similar functions at the state level, where total compensation data is publicly available.

EXECUTIVE COMPENSATION

Executive compensation sets the ceiling for the entire organization. In recent years, salaries for local government executives have increased by 50%, 60%, and even 70%. Under ZBB, every executive compensation package should be benchmarked against peer jurisdictions and private sector equivalents.

Private-sector benchmarking exercises often go awry, however, producing inflated salary comparisons. This happens when they overlook the asymmetries in risk, accountability, and economic incentives between corporate leaders and government leaders. Where compensation can be directly tied to generating profits or driving shareholder value, failure carries immediate personal and professional consequences.

Florida DOGE observed that local governments frequently commissioned external benchmarking efforts for public salaries, and these reviews often recommended that compensation be raised to the median level found in comparators. Notably, this tended to be a one-way recommendation: that salaries and benefits be raised for positions that fell below the median, but not that freezes or reductions be enacted where a local jurisdiction already paid above the median. Everywhere cannot be Lake Wobegon, and everyone cannot be paid at or above the average: this is a recipe for ever-escalating personnel expenses.

To be sure, local governments may wish to consider non-financial elements in their hiring and retention policies, rather than seeking to lower costs. For example, a city manager or other executive who has long-time roots in a community and plans to continue living locally is likely to bring benefits in terms of vision, perspective, and investment that is unavailable from someone from outside on a "career ladder" that will soon take him on to a larger, better-paying, or more prestigious job elsewhere. Even if there is increased cost – directly, or in the supporting services required – there is real value in having local governments that are managed by people who are neighbors, not just professionals.

THE FRONTLINE-FIRST PRINCIPLE

ZBB's Priority Stack applies to personnel. Frontline positions such as police officers, firefighters, utility workers, and road crews are the personnel equivalent of Tier 1. Administrative and support positions are Tiers 3 and 4. When headcount reductions are necessary, they come from the top of the organizational chart, not the bottom.

THE $270 MILLION QUESTION

A county with a $2.993 billion salary base projects a $270 million increase (9%) while facing a $387 million shortfall. Under incremental budgeting, these increases are treated as baseline assumptions. Under ZBB, they are treated as decisions requiring justification. The question is not "can we afford the raises?" The question is "can we justify the raises to taxpayers whose own incomes did not increase 9% this year?"

Chapter 18: Technology Modernization and the AI Opportunity

IT spending across Florida's nine largest cities grew at three times the rate of inflation without consistent evidence of value delivered. ZBB treats technology the same as any other category but with an important twist: technology is also the most powerful tool for reducing costs in every other category.

ZBB FOR IT SPENDING

- Complete software/systems inventory: every license, subscription, and cloud service by department, cost, and active users.
- Utilization audit: flag any system where fewer than 70% of licenses are actively used
- Vendor contract review: was it competitively procured within 3 years? Is the escalation clause justified? Is there a lock-in risk?
- Shadow IT audit: departments purchasing tools outside central procurement.

THE AI OPPORTUNITY

AI tools available today can perform tasks that currently consume significant staff time and budget resources. For ZBB, the key insight is that AI automates the routine, repetitive, and data-intensive work, freeing personnel for tasks requiring human judgment.[7]

FUNCTION	AI APPLICATION	ESTIMATED IMPACT	COMPLEXITY
Constituent Services & 311 Calls	AI chatbots for routine inquiries	40–60% reduction in routine call volume	Low
Document Review & Legal Research	AI document analysis; automated redaction	50–70% reduction in staff hours	Medium
Permitting & Code Enforcement	AI-assisted plan review; predictive inspection	30–50% reduction in review time	Medium
Budget Analysis & Forecasting	AI revenue forecasting; anomaly detection	More accurate forecasts; earlier variance detection	Low–Med
Human Resources	AI recruitment screening; payroll anomaly detection	30–40% reduction in HR processing time	Medium
Public Records Requests	AI search, retrieval, and redaction	60–80% reduction in staff hours per request	Low–Med
Fleet & Facilities	Predictive maintenance; route optimization	15–25% reduction in maintenance costs	Medium
Financial Auditing	AI anomaly detection; grant compliance	Continuous monitoring vs. periodic audits	Medium
Communications & Translations	AI content drafting; real-time translation	40–50% reduction in content production	Low
Meeting & Record Management	AI transcription and summarization	70–80% reduction in minutes prep time	Low

7 National Association of State Chief Information Officers, State CIO Survey: AI Adoption in Government IT, 2025. See also: Deloitte Center for Government Insights, AI-Augmented Government: Using Cognitive Technologies to Redesign Public Sector Work, 2024.

IMPLEMENTATION FRAMEWORK

- **Phase 1.** Month 1: Identify automation candidates using high-volume, rule-based criteria.
- **Phase 2.** Months 2–6: Pilot 1–2 applications (recommended: 311 chatbot + public records automation). Define baselines, set targets, 90-day checkpoint.
- **Phase 3.** Months 6–12: Scale successes. Redirect freed staff to frontline roles. Allow natural attrition where AI reduces the workload permanently.
- **Phase 4.** Year 2+: Annual ZBB review of all AI systems. It's time for the Sunset Clock: no automatic renewal without performance review.

POTENTIAL AI TRAINING OPPORTUNITIES

President Trump's National Policy Framework for Artificial Intelligence seeks to have American workers benefit from AI-driven growth, and not just the outputs of AI development. This applies equally to local government workers, who can acquire AI skills rather than relying on outsourcing the implementation of AI in the organization. This may include:

- AI literacy training for all employees: teaching staff to use AI tools for document drafting, data analysis, constituent communications, and routine task automation.
- Advanced AI training for IT, finance, and HR staff: building internal capacity to deploy, manage, and evaluate AI systems without ongoing consultant dependency.
- Process redesign workshops: training department leaders to identify automation candidates and measure the efficiency gains from AI deployment.
- Data governance and AI ethics training: ensuring AI systems are deployed responsibly with proper oversight, transparency, and accountability.

Chapter 19: Florida DOGE Findings in Relation to ZBB

In 2025, Florida DOGE carried out reviews of the budgets and spending of cities and counties across the state, highlighting specific examples where spending priorities need to be reconsidered and amended to remove wasteful spending. Many of the categories of spending identified by Florida DOGE as luxury activities could have been limited, downsized, or eliminated through the timely application of ZBB. For example:

Nonprofit Organization Grants

One of the places to which taxpayer funding has flowed increasingly over recent years has been to non-profit organizations, also known as NGOs. While this can sometimes be justified (for example, in some circumstances, an external nonprofit can provide the same services that taxpayers request from their government, but cheaper and more efficiently), this is rarely the case. Rather, non-profit spending often represents a way to evade transparency requirements and facilitate activities that would be undesirable, or even unlawful, for government to do directly, including discriminatory activities such as DEI. And non-profit spending rarely comes with performance measures that track whether the results are worth the cost.

More troublingly, nonprofits frequently channel a substantial portion of their funds into grants to other nonprofits, forming large networks of unaccountable funding that frequently work to subvert public ends or engage in political purposes. Studies have shown the amount of funding that is re-granted in this way can range from 15% to 40% of a non-profit's total funds. And because money is fungible, it can be very difficult to restrict the extent to which a government grant ultimately creates re-grantable funds.

In addition, there is a real difficulty in conducting oversight. State auditors reviewing one county's grants and procurement files found that "standard practices and disciplines were lacking or non-existent." Invoices did not show what services had been rendered. Procurement documents were missing. Even sitting at the same computer as the county staff, the auditors, and the grant coordinators together could not locate the missing records that both expected to exist.

Subsidized Cultural Institutions

Arts and culture are luxury items for which many taxpayers are willing to personally foot the bill. Public support is often justified by two factors: (1) a suggestion that "equity" requires that the government take charge of funding facilities and programs lest prices rise to levels that only the wealthy can afford; and (2) the contributions of cultural programming to tourism revenue. Most jurisdictions in Florida have specific tax levies: the tourism development tax (TDT) and convention development tax (CDT) to address the latter. There is little evidence to support the former, and indeed, economic studies show that often government subsidies simply push up the overall price, as has occurred with private higher education over the last few decades.

Zero-based budgeting is unlikely to place the addition of general fund revenue atop CDT and TDT revenues for cultural programming atop other needs, or even atop property tax rebates.

"Green" Activities

Many local governments have engaged in various "sustainability initiatives" and other environmental programs that embrace the ideology of climate alarmism and waste taxpayer funds. As described in Florida's DOGE report, many of these programs are little more than "feel-good" initiatives with no demonstrable relationship to their proposed purpose – and they divert funds both from genuine public needs and, regardless of whether the objective is worthy, from private efforts to accomplish the same objectives.

While Florida has recently prohibited so-called "net zero" policies and carbon targets, thoughtful zero-based budgeting initiatives will want to scrutinize these expenditures carefully wherever they are – and evaluate tradeoffs in "green" programming across a local government so that expenditures can be prioritized and spent on activities that deliver the most bang for the buck.

Duplicative Communications Functions

In the digital age, social media and online branding have become extensive focuses of local governments. In a representative democracy, communications are of course important – indeed, this zero-based budgeting guide even recommends it. But communications functions have proliferated haphazardly across departments in an inefficient and duplicative fashion. Public information officers, social media specialists, graphic designers, and website managers often operate independently in silos ranging from police departments and public works to parks, libraries, and human resources. Each unit may handle press releases, community updates, crisis messaging, and digital outreach, resulting in parallel efforts that produce similar content without coordination. Besides adding to the expense, this may also generate inconsistent branding and messaging that confuses residents.

Because these functions are embedded within individual departments, traditional budgeting approaches often do not identify the overlapping functions in newsletter-writing, social media communications, and internal dissemination of information, let alone contracts for overlapping and unintegrated communications platforms and tools.

Organizations that apply a zero-based budgeting approach frequently add discipline to this category of expenditures, by eliminating some communications functions and folding others together to eliminate redundant roles, combining fragmented teams under unified leadership for consistent messaging, or streamlining operations through shared platforms and cross-departmental protocols.

"Vanity Spending"

There are just some things government should not be spending money on. Every year, we see sensationalized media headlines detailing expenditures related to public corruption: What if the spending is just unnecessary? Often, these are pet projects favored by local mayors. However, they may be county or city-approved spending that causes the average taxpayer to pick their jaw up off the floor. Examples have been listed in other sources that detail these expenditures further.

At the individual and even the familial level, spending overruns and busted budgets often arise from an innate human desire to seek more material possessions. In plain terms, "people want cool stuff." Far too often, this impulse is not checked at the county commission office, or at city hall. Bureaucrats and local elected officials alike pursue projects based on their own whims, quickly forgetting their fiduciary responsibility to local taxpayers. This is damaging not only to fiscal security, but also to the social contract more generally.

Endless Planning

Politicians often treat an announcement of planning, or the release of a plan, as a policy success, regardless of whether the plan is ever enacted. Concurrently, consulting firms in every field find planning assignments to be lucrative, particularly if a plan is not adopted and instead bequeaths another planning exercise. Billing can be at outrageous hourly rates – even for work done remotely – and payable immediately. A zero-based budgeting process should carefully examine whether any given planning activity is necessary, and if it is, test the options of carrying it out in-house vs. contracting.

Government-Funded Art Projects

In the 1960s, public policy re-embraced a policy from the past: support for public art, originally conceived as a Depression-era relief program. The 1960s transformed this temporary concept into a set of permanent programs and ongoing policy tied to urban renewal. At a time when modern architecture trended towards dreary and Brutalist concrete structures, public support blossomed for a requirement that these eyesores be offset by art in public places. Many local city and county governments adopted such programs.

After a half-century of such art, the public art collections of many cities are extensive, and this inventory, as well as the flourishing of new architectural forms, has rendered the need less acute. In many cases, however, the funding mechanisms are perpetual, even as the costs to clean, maintain, and restore the older elements of these art collections have grown over time. Thus, new public art may hit taxpayers twice – once in the form of a set-aside on public construction projects that increases their cost, and once in the form of an ongoing operating cost burden, sometimes paid out of general funds.

Adopting a zero-based budgeting approach could lead to redirecting these funds to more productive purposes or back into taxpayers' pockets, and to assessing the complete cost of newly funded art and the wisdom of expanding public art collections vis-à-vis maintaining and promoting existing installations.

Programs Without Results

Sometimes municipalities conduct operations and programs with aims that never materialize. If a county or city spends millions each year on homeless programs, only for the homeless population to increase, how can that be a success? After several years of failure, these programs should be reevaluated, not funded to the gills with more taxpayer dollars.

Emergency assistance programs are often the worst culprits. Due to the funding structure of local governments, supervisors encourage the reckless disbursement of funds since they are not able to be rolled into the next

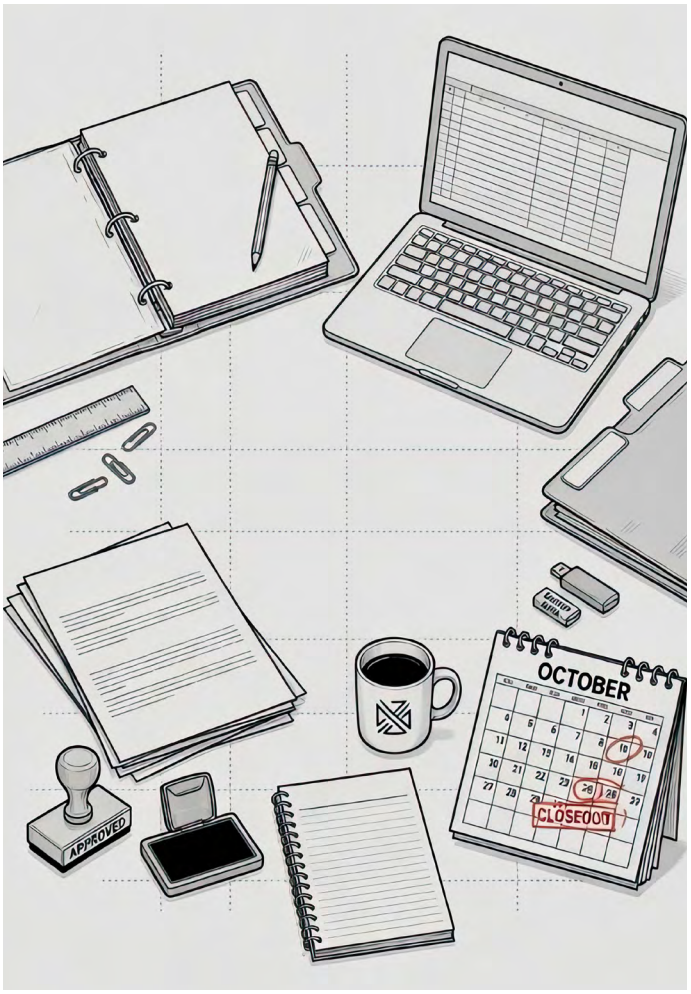
budgeting cycle. This leads programs doling out cash to anyone and everyone, disregarding means testing at best and providing large opportunities for fraud at worst.

> **The Kitchen Table Test:** If your spouse kept paying for contractors to give estimates and plan out work around your home, and never acted on it, what would you call that? Extensive planning and action, or a waste of everyone's time and resources?

"Temporary" Activities That Have Outlived Their Purpose

Many programs are simply not needed anymore. COVID-era taskforces that were used to deal with the firehose of federal funds being distributed should be disbanded, not actively hiring. Often, programs suffer from the same kind of mission creep we see in other areas, where goals are achieved and issues resolved, and workforces are allowed to maintain their roles instead of transitioning their activities, all while requesting more in additional budgeting periods.

This can occur in many departments, even constitutional officers at the local level. Employees and FTEs that are introduced as being "transitional" somehow seem to constantly stick around in future budget periods, with little to no accountability for how these programs will ever end (they usually don't).



PART IV
TOOLS AND RESOURCES

Chapter 20: Answering Six Objections

Every budget reform encounters resistance. The following are the five most common objections to ZBB, and the evidence-based responses that answer them.

OBJECTION 1: "THIS VIOLATES HOME RULE."

Zero-based budgeting is not a state mandate on local policy priorities. It is a budgeting methodology: a way of building a budget that local governments adopt voluntarily. It prescribes how you build your budget (starting from zero, requiring justification) but not what you fund. The governing body retains full authority over every spending decision.

In fact, ZBB is home rule exercised well: it ensures that elected leaders are making active, deliberate choices about every dollar rather than passively inheriting last year's spending. A disciplined budget process will not

threaten home rule, particularly in comparison to a process so undisciplined that the state feels compelled to intervene. Georgia's ZBB program was adopted voluntarily at the state level and has enhanced, not diminished, the governor's fiscal authority.

OBJECTION 2: "YOU'LL CUT POLICE AND FIRE."

The data proves the opposite. Under the current incremental system, public safety spending has grown more slowly than total spending in every major Florida jurisdiction studied. In Palm Beach County, the Sheriff's Office budget grew below the population-plus-inflation benchmark even as total county spending exceeded it. Public safety is being crowded out by discretionary spending. It is certainly not being protected by it.

In the real county analysis, $113 million in specific savings were identified without reducing a single police officer, firefighter, or corrections position. The savings came entirely from Tier 3 and Tier 4 spending: cultural subsidies, CBO grants, communications offices, and administrative overhead. Under ZBB, public safety is classified as Tier 1 and funded first. The Priority Stack makes it structurally impossible to cut a police officer to preserve an art grant.[8]

OBJECTION 3: "WE ALREADY CUT. THERE'S NOTHING LEFT."

Across-the-board cuts are not ZBB. Cutting every department by 3% is the laziest form of fiscal management. It punishes high-performing programs and protects low-value ones equally.

In the real county analysis, a jurisdiction facing hundreds of millions in shortfall had simultaneously approved 37% salary increases since 2019, grown its County Attorney's office by dozens of FTEs, maintained nearly 60 positions after their work had concluded, and continued millions for frivolous art allowances. The problem is not that there is "nothing left to cut." The problem is that incremental budgeting has never required anyone to justify what is there. ZBB ensures you cut the right things.

OBJECTION 4: "WE DON'T HAVE THE STAFF."

Georgia conducts ZBB reviews with existing Office of Planning and Budget staff. Texas implemented full ZBB with existing personnel. Houston designed its ZBB system for 23 departments with current budget office employees. GFOA's case study governments "rarely cited paperwork as an important problem in practice."

The initial investment in staff time is real but modest, and the financial return exceeds the cost in Year 1. One county's budget office retained 59 positions that could be reduced to 30 under ZBB, saving $2.5 million annually. In many cases, the staff you need for ZBB already exists, they are simply doing work that is no longer necessary.

8 Independent Budget Analysis, Proposed Budget for XYZ County, FY 2025-2026: Alternative Budget Recommendations, 2025.

OBJECTION 5: "OUR BUDGET IS ALREADY TRANSPARENT."

Transparency without accountability is theater. Publishing a 500-page budget document on a website does not mean every program has been justified. It means the information is available, not that anyone has been required to defend it or explain it.

In several of the local governments reviewed by Florida DOGE, the budget documents were publicly available and nevertheless contained major, unexplained increases in areas like contractual services. In many places, budgets described reorganizations that promised decreased headcount, but led to increased headcount. In many local governments, office staffing grew even as workloads or results were declining. All of this was "transparent," but not necessarily justified. ZBB does not question your transparency; it questions whether transparency has led to accountability.

OBJECTION 6: "WE HAVE TOO MANY MANDATORY EXPENSES FOR ZERO-BASED BUDGETING TO BE USEFUL."

Many organizations have found that zero-based budgeting excludes major parts of the total budget. For several reasons, that doesn't undermine its utility.

First is that many, supposedly "mandatory" expenses actually afford flexibility: in the manner that the function is performed, in the service level provided, or in whether resources can be deployed to innovate and alter the landscape in which the function is required.

Second is that many of the other activities that are not mandatory are often difficult to plan and control, and yet provide a substantial lever to decrease costs.

Third is that understanding service and support functions is important for addressing future budgetary pressures, where the alternative may be arbitrary cost reductions without recognition of the increased problems – and potential increased costs – that could be created.

Finally, organizations plagued with mandatory expenses from past decisions would do well to begin applying zero-based budgeting to the present decisions that may drive future costs, such as capital expenditures and labor negotiations.

Chapter 21: Two Budgets, One City — What ZBB Would Change

The following comparison is based on comparisons of a composite of Florida jurisdictions reviewed by FL DOGE. Across seven categories of spending analyzed, the composite jurisdiction could likely have identified $35M+ in lower spending vs. the baseline incremental budget – nearly enough to fund the $40M increased budget being sought for public safety programs without needing to collect additional revenues.

BUDGET CATEGORY	INCREMENTAL BUDGET	ZBB-INFORMED BUDGET
Public Safety (Police, Fire, Corrections)	+$40M	+$40M (growth necessary; protected as Tier 1)
Personnel (COLA + Merit)	+$20M (8% merit and automatic)	+$2 to +$6M (justified positions only)
Cultural Projects	+$0	-$2.5M (-30%) (fund only unique cultural programs that do not attract outside funding)
CBO / Nonprofit Grants	+$1.5M (10%)	-$7M (50% cut; performance req.)
Communications & Branding	+$200K	-$1.5M (25% reduction; consolidate)
Information Technology	+$1.8M (10%)	-$500K (duplicate licenses discontinued, major project decision package rejected)
Legal	+$6M (annual trajectory)	+$2M (reflecting internal hiring and outside counsel reduction)

Chapter 22: The Budget Health Diagnostic

Before you begin, take an honest assessment. Answer the following ten questions about your jurisdiction's current budget practices. Score one point for each "Yes" answer. Self-discovered conclusions are more persuasive than externally imposed ones.

#	QUESTION
1	Can you list every program your government funds and its annual cost?
2	Does every program have assigned, measurable performance outcomes?
3	Have you eliminated or restructured a program in the last three years based on performance data?
4	Do department heads justify their entire budget from zero each cycle, or do they start from last year's number?
5	Can you identify which programs are legally mandated and which are discretionary?
6	Has your general fund spending growth stayed at or below the rate of population growth plus inflation?
7	Do you publish program-level performance data for public review before budget adoption?
8	Have your personnel costs grown slower than your revenue growth since FY 2019?
9	Has your governing body voted to eliminate a specific grant, contract, or program in the last two years?
10	Could you present every budget line item to a room of taxpayers and receive a nod of approval?

8–10:	*Strong fiscal discipline. ZBB will refine your process.*
5–7:	*Room for improvement. ZBB will close significant gaps.*
2–4:	*Serious accountability deficits. ZBB should be an immediate priority.*
0–1:	*Your taxpayers deserve better. Start today.*

Chapter 23: Call to Action — Three Steps to Start

You do not need to wait for the state to act. You do not need a consultant. You do not need a new software system. You need a decision. Here are three steps you can take this month:

Step 1: Pass a Resolution. Place a ZBB resolution on the next available agenda. A model resolution is provided in Appendix A. The resolution commits the governing body to the ZBB process, establishes a timeline, and creates the task force. This is a public statement of fiscal discipline that tells your taxpayers that you take their money seriously.

Step 2: Appoint the Task Force. Include budget staff who understand the numbers, department heads who understand the operations, and citizen members who bring the taxpayer perspective. The task force should be chaired by the chief executive or a designee with clear authority to drive the process.

Step 3: Pick Your Scope. You do not have to review everything in Year 1. Start with the areas of highest discretionary spending: grants to nonprofits, consulting contracts, communications offices, cultural affairs subsidies, and any program that has never been required to demonstrate measurable outcomes. The real county analysis demonstrated that these categories alone yielded over a hundred million in identified savings.

Families that budget well do so by starting with the requirements: their mortgage, utilities, transportation, and groceries. They make every remaining dollar earn its place. Only then do they factor in their wish list: shopping in boutiques rather than at Walmart, vacationing in hotels rather than in campgrounds. It's their money that funds our budgets, and it's time to get started building the government that budgets with the same discipline.

Appendix A: Model ZBB Resolution

RESOLUTION NO. ___

A RESOLUTION OF THE [BOARD OF COUNTY COMMISSIONERS / CITY COMMISSION] OF [JURISDICTION NAME], FLORIDA, ESTABLISHING A ZERO-BASED BUDGETING FRAMEWORK FOR THE PREPARATION OF THE ANNUAL BUDGET; CREATING A ZERO-BASED BUDGETING TASK FORCE; ESTABLISHING SCOPE, TIMELINE, AND REPORTING REQUIREMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the [Board/Commission] is responsible for the prudent stewardship of public funds and the preparation of an annual budget that serves the residents of [Jurisdiction Name]; and

WHEREAS, the current incremental budgeting methodology, which builds each year's budget upon the prior year's appropriations, does not require systematic justification of existing programs and expenditures; and

WHEREAS, general fund spending in [Jurisdiction Name] has grown by [XX] percent since Fiscal Year [20XX], while population growth and inflation together would justify an increase of approximately [XX] percent; and

WHEREAS, zero-based budgeting is a methodology that requires every program, activity, and expenditure to justify its existence from a base of zero each budget cycle, ensuring that public resources are allocated based on demonstrated need and measurable performance; and

WHEREAS, zero-based budgeting has been successfully implemented at the state level by Georgia (since 2012), by Texas (2003), and at the local level by Houston, Hillsborough County, Florida, and other jurisdictions; and

WHEREAS, the [Board/Commission] desires to adopt a zero-based budgeting framework that ensures every dollar of taxpayer money is justified, every program is held accountable for measurable results, and public safety remains the highest funding priority.

NOW, THEREFORE, BE IT RESOLVED BY THE [BOARD/COMMISSION]:

Section 1. Zero-Based Budgeting Adoption. The [Board/Commission] hereby adopts zero-based budgeting as the framework for the preparation of the annual operating budget, beginning with Fiscal Year [20XX-XX]. Under this framework, no program or expenditure shall be included in the proposed budget solely because it was funded in the prior fiscal year. Every program shall be required to justify its existence and funding level based on legal mandate, measurable performance outcomes, cost-effectiveness, and alignment with adopted community priorities.

Section 2. ZBB Task Force. There is hereby created a Zero-Based Budgeting Task Force consisting of the [Mayor/County Administrator] or designee as chair; the Budget Director; the heads of [two named departments]; a representative of the [Auditor/Inspector General]; and two citizen members appointed by the [Board/Commission]. The Task Force shall oversee the ZBB process, review justification packages, and present findings to the [Board/Commission] in public session.

Section 3. Scope. In Year 1, the ZBB review shall encompass [all departments / the following targeted categories: grants and CBO funding, communications, cultural affairs, consulting contracts, and administrative overhead]. Beginning in Year 2, the jurisdiction shall transition to a rotating review cycle in which 20 to 25 percent of all programs undergo full ZBB review each year.

Section 4. Four-Tier Priority Framework. All programs shall be classified into four priority tiers: Tier 1 (Constitutional and Statutory Mandates), Tier 2 (Core Community Services), Tier 3 (Discretionary Programs), and Tier 4 (Administrative Overhead). When budgetary reductions are necessary, they shall be applied from Tier 4 downward, ensuring that Tier 1 public safety services are funded first.

Section 5. Timeline. The ZBB process shall commence no later than [Month, Year] and shall be integrated with the TRIM (Truth in Millage) timeline. ZBB findings shall be published for public review at least thirty (30) days before the adoption of the annual budget.

Section 6. Sunset Clauses. All new discretionary programs authorized after the effective date of this resolution shall include a three-year sunset clause requiring full ZBB justification for renewal.

Section 7. Reporting. The Task Force shall present a ZBB Report Card to the [Board/Commission] in public session no less than twice per year, including program rankings, identified savings, and millage impact analysis.

Section 8. Effective Date. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this ___ day of _____, 20___.

_____

[Name], [Mayor/Chair]

ATTEST:

_____

[Name], [Clerk]

Appendix B: Decision Unit Justification Package Template

Complete one package for each decision unit (program, service, or activity). All fields are required.

Department:	[Department Name]
Decision Unit Name:	[Program/Service/Activity Name]
Decision Unit Manager:	[Name and Title]
Four-Tier Classification:	[Tier 1 / Tier 2 / Tier 3 / Tier 4]
Legal Authority:	[Cite specific Florida Statute, local charter section, or ordinance. If none, state "Discretionary."]
Current Budget:	[$X,XXX,XXX]
FTEs Assigned:	[XX.X]
Positions Added Since FY 20XX:	[List each position, date added, and original justification.]

THE FIVE QUESTIONS	
Q1. Is this program legally mandated?	*[YES / NO. If YES, cite authority.]*
Q2. Measurable performance outcomes?	*[List each measure and current result.]*
Q3. Meeting performance targets?	*[YES / NO. Provide data.]*
Q4. More cost-effective alternative?	*[Describe alternatives evaluated.]*
Q5. Would you create it today?	*[YES / NO. Explain.]*

THREE FUNDING LEVELS			
LEVEL	BUDGET	FTES	SERVICE IMPACT
(a) Minimum	*$____*	*____*	*[Describe the bare operational floor or legal minimum]*
(b) Current	*$____*	*____*	*[Current service level and justification for maintaining it]*
(c) Optimized	*$____*	*____*	*[Recommended level based on performance data and community need]*

Appendix C: Program Scoring Rubric

Score each decision unit on the following dimensions. Each dimension is scored from 0 to 10. Multiply each score by the weight to produce the weighted score. Sum the weighted scores for a total out of 10.

DIMENSION	WEIGHT	SCORE (0–10)	WEIGHTED SCORE	SCORING GUIDANCE
Legal Mandate Strength	25%	___	___	10 = Constitutional/statutory mandate 7 = Local charter mandate 4 = Policy basis, no legal mandate 0 = No identified authority
Community Impact	25%	___	___	10 = Serves all residents directly (public safety) 7 = Serves majority of residents 4 = Serves defined subgroup 0 = Serves narrow constituency
Performance Results	20%	___	___	10 = Meeting or exceeding all targets 7 = Meeting most targets 4 = Below targets, improvement plan in place 0 = No measures or all targets missed
Cost-Effectiveness	15%	___	___	10 = Below peer average cost per outcome 7 = At peer average 4 = Above peer average 0 = No cost-per-outcome data available
Strategic Alignment	15%	___	___	10 = Directly advances top adopted priority 7 = Supports adopted priority indirectly 4 = Neutral alignment 0 = No connection to adopted priorities

TOTAL WEIGHTED SCORE: _____ / 10

8.0 – 10.0:	*Strong justification. Fund at optimized level.*
5.0 – 7.9:	*Moderate justification. Fund at current level; monitor closely.*
2.0 – 4.9:	*Weak justification. Restructure, reduce, or place on sunset review.*
0.0 – 1.9:	*No justification. Recommend elimination or fundamental redesign.*

Appendix D: Glossary of ZBB Terms

TERM	DEFINITION
Base Package	The minimum level of funding required to maintain a legally mandated or essential service. In the three-tier funding model, this is the "Minimum" level.
Decision Package	A document prepared by a department head that justifies a specific program or activity, answers the Five Questions, and presents three funding levels. Also called a justification package.
Decision Unit	A discrete program, service, or activity that can be meaningfully evaluated independently. The basic unit of analysis in ZBB.
Four-Tier Priority Framework	A classification system that assigns every program to one of four priority levels: Tier 1 (Constitutional/Statutory Mandates), Tier 2 (Core Community Services), Tier 3 (Discretionary Programs), Tier 4 (Administrative Overhead).
Incremental Budgeting	The traditional budgeting methodology in which the prior year's appropriation is used as the starting point, and adjustments (usually increases) are made at the margin. The antithesis of ZBB.
Justification Gauntlet	A five-question decision tree through which every program must pass to receive continued funding. Programs that cannot satisfy the Gauntlet face elimination or restructuring.
Priority Stack	A visual framework in which Tier 1 programs form the foundation of the budget and Tier 3/4 programs sit at the top. When reductions are necessary, they are applied from the top downward.
Rolled-Back Rate	Under Florida's TRIM process, the millage rate that would generate the same ad valorem revenue as the prior year (excluding new construction). Jurisdictions proposing a rate above the rolled-back rate must hold public hearings.
Rotating Review	A ZBB approach in which a subset of programs (typically 20–25%) undergoes full review each year, with all programs reviewed within a four- to seven-year cycle. The Georgia model.
Service-Level Budgeting	A ZBB variant in which departments present decision packages at three tiers: minimum viable, current service, and enhanced. Decision-makers select which packages to fund.
Sunset Clause	A provision that sets an expiration date for a program's authorization, requiring full ZBB justification for renewal.
Sunset Clock	A visual indicator (green/yellow/red) showing when a discretionary program's authorization expires and ZBB review is required.
Taxpayer Test	The standard that a program must meet: could a budget analyst present it to a room of taxpayers and receive a nod of approval?
TRIM	Truth in Millage. Florida's statutory process (Section 200.065, F.S.) requiring public notice and hearings when a proposed millage rate exceeds the rolled-back rate.
Zero-Based Budgeting (ZBB)	A budgeting methodology in which every program and expenditure must justify its existence from a base of zero each budget cycle, rather than being carried forward automatically from the prior year.

Appendix E: Listing of Sample ZBB Decision Topics

GENERAL ADMINISTRATION & EXECUTIVE SERVICES

Executive leadership
Mayoral policy advising
Mayor's communications
Mayor's office operations
Liaison with legislature
Intergovernmental affairs
Legislative operations
Official travel
Photography
Social media
Graphic design
Lobbying
Citizen complaint responses
311 service center
Records management
Responses to public records requests
Internal audit
Internal performance review
Public meetings coordination
Public meetings agenda management
Translation services
Accessibility services for residents
Mail and courier services
Public access television
Televised public meetings
Volunteer and civic engagement programs
Official seals, flags, and ceremonial functions
Ethics and compliance support for elected officials
Grant application support
Federal reporting
State reporting
General resident service inquiries
Physical security

FINANCE, ACCOUNTING & PROCUREMENT

Core accounting, payroll, and financial reporting systems
Accounts payable and receivable transactions
Annual budget development and monitoring
Debt issuance, servicing, and bond compliance
Internal financial audits and controls testing
Purchasing and procurement card programs
Vendor contracts and payment processing
Revenue forecasting
Economic analysis
Special assessment and other district billing
Utility and enterprise fund billings
Investment portfolio and cash management
Financial training for department managers
Cost allocation and indirect rate calculations
Grant accounting and reimbursement claims
Fixed asset inventory and capitalization
Risk financing and insurance
Procurement
Monthly financial statements and reporting
Enterprise resource planning (ERP) system modules

HUMAN RESOURCES & ORGANIZATIONAL DEVELOPMENT

Recruitment
Hiring
Onboarding of new employees
Employee benefits and health insurance programs
Payroll processing and time/attendance systems
Compliance and safety training
Performance evaluations
Succession planning
Employee relations
Grievance processes
Employee wellness and assistance programs
Compensation studies
Labor negotiations and union relations
Leadership development
Mentoring
Professional development programs
Retirement and pension plan services
Workforce demographics and metrics
Workplace safety and OSHA compliance
Employee recognition and incentive programs
HR analytics and workforce planning
Leave management and FMLA compliance
Background checks and pre-employment screening
New-hire orientation
Departmental training
Government office space, telework, and flexible scheduling policies
Employee engagement and retention initiatives

INFORMATION TECHNOLOGY & DIGITAL GOVERNMENT

Core network infrastructure
Cybersecurity
Desktop and laptop computers

Mobile devices
IT Support
Printing
Enterprise email and collaboration platforms
Geographic information systems (GIS) and mapping
Public-facing government websites
911 computer-aided dispatch (CAD) system data center and server hosting services
Document management systems
Citizen mobile apps
E-service request portals
Cybersecurity threat detection and response
Software licensing
Vendor contracts
Help desk and technical support services
Custom applications for permitting and licensing
Public records request tracking system
Online payment and e-commerce platforms
Disaster recovery and backup systems
Training on new technology tools
Fiber-optic and broadband expansion projects
AI tools for operational efficiency
Data privacy
Regulatory compliance

PUBLIC WORKS & INFRASTRUCTURE

Roads and curbs
Intersections
Sidewalks
Stormwater drainage systems
Traffic signals
Street lighting
Right-of-way and easement management
Bridge inspection and maintenance
Capital improvement project delivery
Public buildings and facilities maintenance
Graffiti removal
Street cleaning
Sidewalk repair and ADA compliance
Pothole repair and asphalt maintenance
Sewer line inspection and repair
Water main and utility line locates
Construction permitting and inspections
Pavement management and resurfacing
Floodplain mapping and compliance
Public building landscaping
Public right-of-way landscaping and median maintenance
Underground utility infrastructure
Infrastructure condition assessments
Alternative/historic pavement surface programs
Transportation signage
Public vehicle fueling and charging

TRANSPORTATION & MOBILITY

Public transit
Bus services
Paratransit services
Rideshare
Micro-mobility
Public airports
Off-street trail development
Off-street trail maintenance
Bicycle infrastructure
Traffic calming
Traffic safety improvements
Parking enforcement
Public parking facilities
Transportation planning
Boat or water taxi
Transportation demand management
Public EV charging
Freight and commercial vehicle route improvements
Transportation improvement programs
Senior and disabled transportation vouchers
Traffic count data collection and analysis
Smart traffic management systems
Regional transportation coordination

PARKS, RECREATION & CULTURAL AFFAIRS

Neighborhood parks and playgrounds
Community centers and recreation facilities
Youth sports leagues
Senior citizen recreation
Public wellness activities
Public pools / aquatic
Special events
Private event coordination
Public art expansion
Public art maintenance
Open space preservation
Youth camp programs
Marinas
Boat ramps
Kayak launches
Nature center operation
Environmental education
Athletic fields and turf maintenance
Adaptive recreation

Cultural heritage programming
History programming
Dog parks
Other pet support
Public concerts
Public performing arts events
Park and playground safety inspections
Picnic shelters
Public park and pavilion rentals
Community gardens and urban agriculture

PLANNING, ZONING, AND ECONOMIC DEVELOPMENT

Comprehensive plan updates and amendments
Zoning and land-use permit applications
Code enforcement and nuisance abatement
Affordable housing development
Community development grants
Economic development grants
Business retention grants
Small business assistance
Business permitting
Historic preservation and landmark reviews
Tourism marketing
Visitor services
Beach access,
Beach cleaning,
Beach amenity maintenance
Floodplain development permits
Neighborhood revitalization grants
Disaster recovery and resiliency planning

HOUSING & COMMUNITY SERVICES

Street engagement teams
Emergency shelter
Transitional housing
Permanent supportive housing
Addiction treatment
Rapid re-housing
Tenant support services
Workforce housing
Fair housing and enforcement
Short-term rental and vacation rental permits
Community outreach and public engagement
Growth management and concurrency reviews
Housing authority and Section 8 voucher administration
Beach nourishment and restoration
Erosion control
Beach dune protection
Coastal habitat restoration
Inlet management and sand bypassing
Wetland preservation

Appendix F: Sources and Further Reading

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Appendix G: Statement on the Use of Artificial Intelligence

In establishing the Florida DOGE team in Executive Order 25-44, Governor Ron DeSantis set the goal of carrying out Florida's DOGE activities primarily with existing state staff and resources. To accomplish this, EO 25-44 directed the use of advanced technology such as artificial intelligence where possible to advance the mission.

Consistent with this approach, this work was produced by the Florida DOGE team through a combination of human writing and analysis with artificial intelligence tools. These tools were used to identify key themes from existing writings on zero-based budgeting, to prepare an outline of this handbook, to refine portions of the text, and to review spelling and grammar. In addition, artificial intelligence-based image-creation tools were used for creating the illustrations and to compile, categorize, and sort by order of importance the list of sample decision topics in Appendix E.

EVERY DOLLAR JUSTIFIED

A Zero-Based Budgeting Handbook for Local Governments

EXECUTIVE OFFICE OF THE GOVERNOR
DEPARTMENT OF GOVERNMENT EFFICIENCY

The JAMES MADISON INSTITUTE
Trusted Solutions for a Better Florida

Prepared in partnership by Florida DOGE and The James Madison Institute • 2026



Communications Services Tax Reform

Communications Services Tax:

Draft Statement:

The Florida League of Cities opposes legislation to further redirect funds from the State and Local portions of the Communications Services Tax to establish grant funds to offset private utility company costs to relocate their utility infrastructure.

Background Brief

Florida's Communications Services Tax (CST), codified in chapter 202, Florida Statutes, is a combined state and local tax on telecommunications, cable, satellite, and related services, and it is one of the higher combined communications tax burdens in the country. It replaced a patchwork of franchise fees, utility taxes, and other local charges when it was created in 2001, and it functions today as a significant, but rate-sensitive, revenue source for both the state general revenue fund and local governments through the Local Government Half-Cent Sales Tax Clearing Trust Fund distribution. Because local CST rates are set by individual counties and municipalities within statutory caps, the Legislature has periodically stepped in over the past several years to limit how far those local rates can rise, while separately adjusting the state-level rate downward.

In the 2023 session, the Legislature passed SB 1432, which reduced the state CST tax rate and, by amending s. 202.19, F.S., prohibited local governments from increasing any local CST rate in effect as of January 1, 2023, before January 1, 2026 — extending a freeze that had originally been set to lapse in 2025. The bill also renamed the discretionary local CST and clarified which fees and charges the tax was intended to replace, reinforcing the Legislature's ongoing effort to hold the line on the combined local-and-state tax burden on communications services even as underlying local option surtaxes continued to shift rates modestly from year to year.

The 2025 session produced two further, related actions. First, the House tax package (HB 7031, with a Senate companion effort under SB 7031/SB 1352) extended the existing local rate freeze a second time, again amending s. 202.19, F.S. Under HB 7031, any local CST rate in effect as of January 1, 2023, is now frozen and may not be increased until January 1, 2031 — pushing the prior freeze deadline of January 1, 2026 out by an additional five years and locking current local rates in place through the end of the decade. Second, and separately, the Legislature enacted CS/CS/CS/SB 818 (companion HB 703), which created the Utility Relocation Reimbursement Grant Program within the Department of Commerce. That measure amended s. 212.20, F.S., to redirect a specified amount of CST remittances — up to $50 million in nonrecurring funds in the first year — away from the standard Local Government Half-Cent Sales Tax Clearing Trust Fund distribution and into a dedicated Grants and Donations Trust Fund, from which communications services providers may seek reimbursement for the cost of relocating facilities when a county, municipality, or FDOT project requires it.

Taken together, these actions reflect two distinct but related legislative priorities on CST: holding local rates flat for an extended period to limit the growth of the combined tax burden, and, more recently, carving out a defined portion of existing CST proceeds for a new, dedicated purpose — utility relocation reimbursement — rather than allowing the full amount to flow through to local governments under the existing half-cent distribution formula. For committee purposes, the practical effect is that local governments will see a reduced share of CST-linked revenue going forward as the relocation grant program draws down its dedicated funding stream, while communications providers gain a new, state-administered avenue for recovering relocation costs previously borne without reimbursement. Given the pattern of near-annual legislative attention to this tax over the past three sessions, further adjustments to either the rate freeze or the grant program's funding mechanism in the 2027 session would not be unexpected.

An act relating to utility relocation; amending s. 212.20, F.S.; requiring that a specified amount of communications services tax remittances be distributed by the Department of Revenue by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program; revising the percentage by which a certain amount transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund must be reduced, beginning on a certain date; amending s. 337.403, F.S.; requiring a service provider to initiate communications services facility relocation work under certain circumstances; specifying that a county or municipal authority is not responsible for paying the expense properly attributable to such work except as otherwise provided; authorizing a service provider to apply to the Utility Relocation Reimbursement Grant Program for reimbursement of relocation expenses; requiring a department to notify certain providers of communications services of certain projects within a specified timeframe; defining the term "department"; providing notification requirements; requiring a

provider to respond to the notification with certain information within a specified timeframe; requiring the department to provide a reasonable offer for joint participation in certain relocation costs under certain conditions; providing construction; creating s. 337.4031, F.S.; creating the Utility Relocation Reimbursement Grant Program within the Department of Commerce; providing the purpose of the program; requiring the Department of Revenue to deposit certain proceeds into a specified trust fund to fund the program beginning on a certain date; requiring the Department of Commerce to establish program requirements by rule; authorizing only certain uses of program funds; exempting program funds from a certain service charge; providing that interest earned on program funds accrues to the program's fund; authorizing emergency rulemaking; amending ss. 125.42, 202.18, 212.181, and 218.65, F.S.; conforming cross-references; providing a finding and declaration of important state interest; providing an appropriation; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (d) of subsection (6) of section

212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of $500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred in two parts:

a. The total amount of $50 million of the communications services taxes remitted pursuant to s. 202.18(1)(b) and (2)(b), in any fiscal year, shall be distributed by the department by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement

Grant Program created in s. 337.4031; and

b. The remainder shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning October 1, 2025 ~~July 1, 2003~~, the amount to be transferred shall be reduced by 0.1018 ~~0.1~~ percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less $5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall

receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

a. In each fiscal year, the sum of $29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or

relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute $166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to $41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than $416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5) or s. 288.11621(3).

c. The department shall distribute up to $83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to $166,667 monthly to each certified applicant as defined in s.

288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

d. The department shall distribute $15,333 monthly to the State Transportation Trust Fund.

e.(I) On or before July 25, 2021, August 25, 2021, and September 25, 2021, the department shall distribute $324,533,334 in each of those months to the Unemployment Compensation Trust Fund, less an adjustment for refunds issued from the General Revenue Fund pursuant to s. 443.131(3)(e)3. before making the distribution. The adjustments made by the department to the total distributions shall be equal to the total refunds made pursuant to s. 443.131(3)(e)3. If the amount of refunds to be subtracted from any single distribution exceeds the distribution, the department may not make that distribution and must subtract the remaining balance from the next distribution.

(II) Beginning July 2022, and on or before the 25th day of

each month, the department shall distribute $90 million monthly to the Unemployment Compensation Trust Fund.

(III) If the ending balance of the Unemployment Compensation Trust Fund exceeds $4,071,519,600 on the last day of any month, as determined from United States Department of the Treasury data, the Office of Economic and Demographic Research shall certify to the department that the ending balance of the trust fund exceeds such amount.

(IV) This sub-subparagraph is repealed, and the department shall end monthly distributions under sub-sub-subparagraph (II), on the date the department receives certification under sub-sub-subparagraph (III).

f. Beginning July 1, 2023, in each fiscal year, the department shall distribute $27.5 million to the Florida Agricultural Promotional Campaign Trust Fund under s. 571.26, for further distribution in accordance with s. 571.265.

7. All other proceeds must remain in the General Revenue Fund.

Section 2. Subsection (1) of section 337.403, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

337.403 Interference caused by utility; expenses.—

(1) If a utility that is placed upon, under, over, or within the right-of-way limits of any public road or publicly owned rail corridor is found by the authority to be unreasonably

interfering in any way with the convenient, safe, or continuous use, or the maintenance, improvement, extension, or expansion, of such public road or publicly owned rail corridor, the utility owner must ~~shall~~, within 30 days after ~~upon 30 days'~~ written notice to the utility or its agent by the authority, initiate the work necessary to alleviate the interference at its own expense except as provided in paragraphs (a)-(k) ~~(a)-(j)~~. The work must be completed within such reasonable time as stated in the notice or such time as agreed to by the authority and the utility owner.

(a) If the relocation of utility facilities, as referred to in s. 111 of the Federal-Aid Highway Act of 1956, Pub. L. No. 84-627, is necessitated by the construction of a project on the federal-aid interstate system, including extensions thereof within urban areas, and the cost of the project is eligible and approved for reimbursement by the Federal Government to the extent of 90 percent or more under the Federal-Aid Highway Act, or any amendment thereof, then in that event the utility owning or operating such facilities must ~~shall~~ perform any necessary work upon notice from the department, and the state must ~~shall~~ pay the entire expense properly attributable to such work after deducting therefrom any increase in the value of a new facility and any salvage value derived from an old facility.

(b) When a joint agreement between the department and the utility is executed for utility work to be accomplished as part

of a contract for construction of a transportation facility, the department may participate in those utility work costs that exceed the department's official estimate of the cost of the work by more than 10 percent. The amount of such participation is limited to the difference between the official estimate of all the work in the joint agreement plus 10 percent and the amount awarded for this work in the construction contract for such work. The department may not participate in any utility work costs that occur as a result of changes or additions during the course of the contract.

(c) When an agreement between the department and utility is executed for utility work to be accomplished in advance of a contract for construction of a transportation facility, the department may participate in the cost of clearing and grubbing necessary to perform such work.

(d) If the utility facility was initially installed to exclusively serve the authority or its tenants, or both, the authority must ~~shall~~ bear the costs of the utility work. However, the authority is not responsible for the cost of utility work related to any subsequent additions to that facility for the purpose of serving others. For a county or municipality, if such utility facility was installed in the right-of-way as a means to serve a county or municipal facility on a parcel of property adjacent to the right-of-way and if the intended use of the county or municipal facility is for a use

other than transportation purposes, the obligation of the county or municipality to bear the costs of the utility work shall extend only to utility work on the parcel of property on which the facility of the county or municipality originally served by the utility facility is located.

(e) If, under an agreement between a utility and the authority entered into after July 1, 2009, the utility conveys, subordinates, or relinquishes a compensable property right to the authority for the purpose of accommodating the acquisition or use of the right-of-way by the authority, without the agreement expressly addressing future responsibility for the cost of necessary utility work, the authority must ~~shall~~ bear the cost of removal or relocation. This paragraph does not impair or restrict, and may not be used to interpret, the terms of any such agreement entered into before July 1, 2009.

(f) If the utility is an electric facility being relocated underground in order to enhance vehicular, bicycle, and pedestrian safety and in which ownership of the electric facility to be placed underground has been transferred from a private to a public utility within the past 5 years, the department must ~~shall~~ incur all costs of the necessary utility work.

(g) An authority may bear the costs of utility work required to eliminate an unreasonable interference when the utility is not able to establish that it has a compensable

property right in the particular property where the utility is located if:

1. The utility was physically located on the particular property before the authority acquired rights in the property;

2. The utility demonstrates that it has a compensable property right in adjacent properties along the alignment of the utility or, after due diligence, certifies that the utility does not have evidence to prove or disprove that it has a compensable property right in the particular property where the utility is located; and

3. The information available to the authority does not establish the relative priorities of the authority's and the utility's interests in the particular property.

(h) If a municipally owned utility or county-owned utility is located in a rural area of opportunity, as defined in s. 288.0656(2), and the department determines that the utility is unable, and will not be able within the next 10 years, to pay for the cost of utility work necessitated by a department project on the State Highway System, the department may pay, in whole or in part, the cost of such utility work performed by the department or its contractor.

(i) If the relocation of utility facilities is necessitated by the construction of a commuter rail service project or an intercity passenger rail service project and the cost of the project is eligible and approved for reimbursement

by the Federal Government, then in that event the utility owning or operating such facilities located by permit on a department-owned rail corridor must ~~shall~~ perform any necessary utility relocation work upon notice from the department, and the department must ~~shall~~ pay the expense properly attributable to such utility relocation work in the same proportion as federal funds are expended on the commuter rail service project or an intercity passenger rail service project after deducting therefrom any increase in the value of a new facility and any salvage value derived from an old facility. In no event is ~~shall~~ the state ~~be~~ required to use state dollars for such utility relocation work. This paragraph does not apply to any phase of the Central Florida Commuter Rail project, known as SunRail.

(j) If a utility is lawfully located within an existing and valid utility easement granted by recorded plat, regardless of whether such land was subsequently acquired by the authority by dedication, transfer of fee, or otherwise, the authority must bear the cost of the utility work required to eliminate an unreasonable interference. The authority shall pay the entire expense properly attributable to such work after deducting any increase in the value of a new facility and any salvage value derived from an old facility.

(k) If a county or municipal authority requires a provider of communications services which is subject to chapter 202 to relocate a facility used to provide such communications

services, the service provider owning or operating such facility must initiate any necessary work upon notice from the authority. The county or municipal authority requiring such relocation is not responsible for paying the expense of such work, except as otherwise provided in this subsection. The service provider may apply for reimbursement of relocation expenses from the Utility Relocation Reimbursement Grant Program pursuant to s. 337.4031, subject to the availability of funds and in compliance with the requirements of the program. If funds are not available, the county or municipal authority requiring such relocation remains not responsible for paying the expense of such work, except as otherwise provided in this subsection.

(4) Notwithstanding paragraph (1)(k), a department shall notify providers of communications services that are subject to chapter 202 which have permitted infrastructure within a planned or existing public right-of-way within 90 days after a project is added to the department's project schedule which may require the provider to relocate its infrastructure for roadway improvements to increase safety or reduce congestion. For purposes of this subsection, the term "department" means the Department of Transportation or an agency of the state created under chapter 348 or chapter 349.

(a) The notification provided under this subsection must include an estimated project schedule and timeline, including the anticipated year of construction.

(b) Within 90 days after receipt of the notification, the provider shall respond to the department with an estimated timeframe and project cost for the relocation of the provider's infrastructure. The response must include a draft relocation schedule within or adjacent to the existing or planned public right-of-way.

(c) Notwithstanding any other provision of this section, the department shall provide a reasonable offer for joint participation in relocation costs, so long as the provider initiates work within a mutually agreed upon timeframe and, if the infrastructure relocation is a result of roadway improvements within the public right-of-way to increase safety or reduce congestion and the impacted infrastructure was, at the time of notification under this subsection, installed within the past 7 state fiscal years, the department must incur at least 50 percent of the costs for relocation work as described in a joint participation agreement.

(d) This subsection may not be construed to prevent a department from pursuing the additional relocation processes, agreements, or payment options authorized under this section or to prevent a provider from using grant funds provided through other government sources to support all or a portion of the relocation costs.

Section 3. Section 337.4031, Florida Statutes, is created to read:

337.4031 Utility Relocation Reimbursement Grant Program.—

(1) There is created within the Department of Commerce the Utility Relocation Reimbursement Grant Program. The purpose of the program is to reimburse providers of communications services which are subject to chapter 202 for eligible costs incurred in relocating facilities at the request of a county or municipal authority.

(2) Beginning October 1, 2025, the Department of Revenue shall deposit the proceeds to be distributed to the Department of Commerce pursuant to s. 212.20(6)(d)2.a. into a separate account within the Grants and Donations Trust Fund to fund the Utility Relocation Reimbursement Grant Program.

(3) The Department of Commerce shall establish by rule all of the following:

(a) The criteria and process by which service providers may apply for reimbursement.

(b) The minimum documentation required to verify eligible relocation costs. Such costs must be prudent and reasonable in order to be eligible for reimbursement.

(c) The timeline for application review and reimbursement disbursement, which may not exceed 90 days from submission.

(4) Program funds may be used only to reimburse actual, documented expenses directly attributable to the physical relocation of facilities required by a county or municipal authority. Reimbursement may not be made to a service provider

for indirect or administrative costs.

(5) Program funds are exempt from s. 215.20 and any interest earnings shall accrue to the program's fund.

(6) The Department of Commerce is authorized to adopt emergency rules pursuant to s. 120.54(4) to administer and enforce the provisions of this section.

Section 4. Subsection (5) of section 125.42, Florida Statutes, is amended to read:

125.42 Water, sewage, gas, power, telephone, other utility, and television lines within the right-of-way limits of county roads and highways.—

(5) In the event of widening, repair, or reconstruction of any such road, the licensee shall move or remove such water, sewage, gas, power, telephone, and other utility lines and television lines at no cost to the county should they be found by the county to be unreasonably interfering, except as provided in s. 337.403(1)(d)-(k) ~~s. 337.403(1)(d)-(j)~~.

Section 5. Paragraph (b) of subsection (2) of section 202.18, Florida Statutes, is amended to read:

202.18 Allocation and disposition of tax proceeds.—The proceeds of the communications services taxes remitted under this chapter shall be treated as follows:

(2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated as follows:

(b) Fifty-five and nine-tenths percent of the remainder

shall be allocated to the state and distributed pursuant to s. 212.20(6), except that the proceeds allocated pursuant to s. 212.20(6)(d)2.b. ~~s. 212.20(6)(d)2.~~ shall be prorated to the participating counties in the same proportion as that month's collection of the taxes and fees imposed pursuant to chapter 212 and paragraph (1)(b).

Section 6. Paragraph (a) of subsection (3) of section 212.181, Florida Statutes, is amended to read:

212.181 Determination of business address situs, distributions, and adjustments.—

(3)(a) For distributions made pursuant to ss. 125.0104 and 212.20(6)(a), (b), and (d)2.b. ~~(d)2.~~, misallocations occurring solely due to the assignment of an address to an incorrect county will be corrected prospectively only from the date the department is made aware of the misallocation, subject to the following:

1. If the county that should have received the misallocated distributions followed the notification and timing provisions in subsection (2) for the affected periods, such misallocations may be adjusted by prorating current and future distributions for the period the misallocation occurred, not to exceed 36 months from the date the department is made aware of the misallocation.

2. If the county that received the misallocated distribution followed the notification and timing provisions in

subsection (2) for the affected periods and the county that should have received the misallocation did not, the correction shall apply only prospectively from the date the department is made aware of the misallocation.

Section 7. Subsection (5) of section 218.65, Florida Statutes, is amended to read:

218.65 Emergency distribution.—

(5) At the beginning of each fiscal year, the Department of Revenue shall calculate a base allocation for each eligible county equal to the difference between the current per capita limitation times the county's population, minus prior year ordinary distributions to the county pursuant to ss. 212.20(6)(d)2.b. ~~212.20(6)(d)2.~~, 218.61, and 218.62. If moneys deposited into the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20(6)(d)3., excluding moneys appropriated for supplemental distributions pursuant to subsection (8), for the current year are less than or equal to the sum of the base allocations, each eligible county shall receive a share of the appropriated amount proportional to its base allocation. If the deposited amount exceeds the sum of the base allocations, each county shall receive its base allocation, and the excess appropriated amount, less any amounts distributed under subsection (6), shall be distributed equally on a per capita basis among the eligible counties.

Section 8. The Legislature finds and declares that this

act fulfills an important state interest.

Section 9. From the funds distributed to the Department of Commerce pursuant to s. 212.20(6)(d)2.a., Florida Statutes, and for the 2025-2026 fiscal year, the sum of $50 million in nonrecurring funds is appropriated from the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program pursuant to s. 337.4031, Florida Statutes.

Section 10. This act shall take effect October 1, 2025.

FLORIDA HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: HB 7031 PCB WMC 25-01	**COMPANION BILL:** None
TITLE: Taxation	**LINKED BILLS:** None
SPONSOR(S): Duggan	**RELATED BILLS:** None

FINAL HOUSE FLOOR ACTION: 93 **Y's** 7 **N's** **GOVERNOR'S ACTION:** Approved

SUMMARY

Effect of the Bill:

- For sales tax, the bill repeals the business rent tax, creates a permanent back-to-school sales holiday for the month of August each year, exempts sales of certain disaster preparedness and other items and events, extends an exemption related to data centers for 10 years, and authorizes certain local discretionary sales surtaxes to be reduced or repealed. The bill allows Tourist Development Taxes to be used for infrastructure projects in certain counties and for beach lifeguards in all coastal counties.
- For property tax, the bill updates administrative provisions related to the value adjustment board process, creates two new affordable housing exemptions and amends three existing affordable housing provisions, provides an exemption for certain Gold Seal certified child care centers, modifies provisions related to agricultural properties, and exempts certain flight simulators from property tax.
- The bill also repeals the aviation fuel tax, delays the imposition of natural gas fuel taxes, doubles distributions made to certain medical centers from $30 million to $60 million annually, creates two new tax credit programs, extends a local rate freeze for communications services taxes, adopts the current Internal Revenue Code and exempts charitable trusts for corporate income tax purposes, reduces the pari-mutuel tax on cardrooms, removes a slot machine licensing fee, redirects distributions related to the horse industry and certain documentary stamp distributions, and makes other conforming, administrative, and procedural updates related to state and local taxes.

Fiscal or Economic Impact:

Staff estimates the total impact on state and local government revenues of the bill in Fiscal Year 2025-26 to be -$2,039.3 million. See Revenue Impact Chart at the end of analysis for more detail.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION

ANALYSIS

EFFECT OF THE BILL:

Sales Tax

Business Rent Tax

The bill repeals the 2.0% business rent tax effective October 1, 2025 (Section 37), and makes conforming changes (Sections 36, 39, 40, 42, 44, 47, 49, 50, 52, 53, 68, 71, 76, 91, and 92).

Permanent Sales Tax Exemptions

Annual Back-to-School Holiday (Section 45)

The bill creates a permanent back-to-school sales tax holiday that will occur for the entire month of August each year.

- During this period the following items that cost $100 or less are exempt from the state sales tax and county discretionary sales surtaxes:
  - Clothing (defined as an "article of wearing apparel intended to be worn on or about the human body," but excluding watches, watchbands, jewelry, umbrellas, and handkerchiefs);

Fuel Taxes

Aviation Fuel Tax

The bill repeals the motor fuel tax on aviation fuel, including aviation gasoline, aviation turbine fuels, and kerosene. It does this by repealing Part III of Chapter 206, Florida Statutes, comprised of the following statutes: s. 206.9815, F.S., s. 206.9825, F.S., s. 206.9826, F.S., s. 206.9835, F.S., s. 206.9837, F.S., s. 206.9845, F.S., s. 206.9855, F.S., s. 206.9865, F.S. and s. 206.9875, F.S. (Section 27)

The bill creates s. 206.9925(9), F.S. to define aviation fuel to mean fuel for use in aircraft, and includes aviation gasoline and aviation turbine fuels and kerosene. (Section 29)

The bill creates s. 212.08(4)(a)5., F.S., to clarify that aviation fuel continues to be exempt from sales and use tax. (Section 48)

The bill also makes conforming changes where necessary. (Sections 2, 26, 28, 30, 34, 35, 55, 69, and 70)

These changes take effect January 1, 2026.

Natural Gas Fuel Tax (Sections 31, 32, and 33)

The bill provides for a delay of the imposition of the scheduled tax on natural gas fuel that would have begun at a reduced rate January 1, 2026, and have been fully implemented on January 1, 2027. The bill changes the effective date of the imposition of these taxes to January 1, 2030, for the reduced rate, and January 1, 2031, for the full implementation. The bill also makes conforming changes related to registration and return filing provisions.

These changes take effect upon becoming law.

Communications Services Taxes

The bill extends the current freeze on rate increases for local communications services taxes (CST) from January 1, 2026 to January 1, 2031. (Section 24)

The bill also requires local governments to prioritize the use of local CST revenue for the timely review, processing, and approval of permit applications for the use of rights of way by providers, similar to the use of the permit fees replaced by CST. (Section 24)

Corporate Income Tax

Adoption of the Internal Revenue Code (Sections 60 and 61)

The bill updates the Florida corporate income tax code by adopting the Internal Revenue Code (IRC) as amended and in effect on January 1, 2025. This section of the bill is effective upon becoming law and applies retroactively to January 1, 2025.

The following rates were scheduled to be imposed on natural gas fuel[224] effective January 1, 2027:[225]

- The excise tax on each motor fuel equivalent gallon of natural gas fuel will be 4 cents.
- An additional tax of 1 cent on each motor fuel equivalent gallon of natural gas fuel, which is designated as the "ninth-cent fuel tax.
- An additional tax of 1 cent on each motor fuel equivalent gallon of natural gas fuel by each county, which is designated as the "local option fuel tax."
- The additional tax on each motor fuel equivalent gallon of natural gas fuel, which is designated as the SCETS Tax, will be 5.8 cents per gallon, as adjusted by the Department of Revenue.
- The additional tax on each motor fuel equivalent gallon of natural gas fuel "for the privilege of selling natural gas fuel" will be 9.2 cents per gallon, as adjusted by the Department of Revenue.

Communications Services Tax

Chapter 202, F.S., is the Communications Services Tax (CST) Simplification Law. The term "communications services" means the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including video services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method, regardless of the protocol used for such transmission or conveyance.[226]

Section 202.105, F.S., provides the legislative findings and intent related to enactment of the CST simplification law. The law simplified a complicated state and local tax and fee system, by restructuring separate taxes and fees into a revenue-neutral CST centrally administered by the Department of Revenue (DOR), i.e. a single tax to replace multiple taxes and fees previously imposed. Among the Legislature's stated intentions in creating the CST was that it not reduce the authority that municipalities or counties had to raise revenue in the aggregate, as such authority existed on February 1, 1989.

The state CST rate, except for direct-to-home satellite service, is 4.92 percent.[227]

[224] "Natural gas fuel" is defined as "any liquefied petroleum gas product, compressed natural gas product, or combination thereof used in a motor vehicle as defined in section 206.01(23), F.S. This term includes, but is not limited to, all forms of fuel commonly or commercially known or sold as natural gasoline, butane gas, propane gas, or any other form of liquefied petroleum gas, compressed natural gas, or liquefied natural gas. This term does not include natural gas or liquefied petroleum placed in a separate tank of a motor vehicle for cooking, heating, water heating, or electric generation." Section 206.9951(2), F.S.

[225] Section 206.9955, F.S.

[226] Section 202.11(1), F.S. Excluded from this definition is information services; installation or maintenance of wiring or equipment on a customer's premises; the sale or rental of tangible personal property; the sale of advertising, including, but not limited to, directory advertising; bad check charges; late payment charges; billing and collection services; and internet access service, electronic mail service, electronic bulletin board service, or similar online computer services.

[227] Section 202.12(1)(a) and (b), F.S. For direct-to-home satellite service the rate is 9.07 percent.

Local Communications Services Taxes

Local governments may also levy a local CST:

- Charter counties and municipalities may levy a local CST at a rate of up to 5.1 percent for municipalities and charter counties that have not chosen to levy permit fees, and at a rate of up to 4.98 percent for municipalities and charter counties that have chosen to levy permit fees; and
- Noncharter counties may levy a local CST at a rate of up to 1.6 percent.[228]

These maximum rates do not include the add-ons, pursuant to s. 337.401, F.S., of up to 0.12 percent for municipalities and charter counties, or up to 0.24 percent for noncharter counties, if those local governments have elected not to require right-of-way permit fees.[229]

Under s. 202.19(5), F.S., any discretionary sales surtax levied by a county or school board under s. 212.055, F.S., is imposed as a local CST. This surtax is added to the adopted local rate at the respective conversion rate, as determined in accordance with methodology and chart in s. 202.20(3), F.S.

The local discretionary CST and add-on rates, if applicable, constitute the total local adopted rate.[230] The total local CST rates vary by jurisdiction.

Local CST is considered general revenue for the levying local government and can be used for any public purpose.[231]

Local Communications Services Tax Rate Freeze

HB 7063 (2023) revised s. 202.19, F.S., to require that any local CST rate in effect as of January 1, 2023, cannot be increased before January 1, 2026. The bill also provided that any increases to discretionary sales tax, levied pursuant to s. 212.055, F.S., may not be added to the local CST under s. 202.19, F.S., before January 1, 2026.

Fees Replaced by CST

The local CST includes and is in lieu of any fee or other consideration, including, but not limited to, application fees, transfer fees, renewal fees, or claims for related costs, to which the municipality or county is otherwise entitled for granting permission to dealers of communications services to use or occupy its roads or rights-of-way for the placement, construction, and maintenance of poles, wires, and other fixtures used in the provision of communications services.[232] Additionally, the term "replaced revenue sources" includes permit fees relating to use of rights-of-way collected from communication services providers; however, if a municipality or charter county elects the option to charge permit fees pursuant to s. 337.401(3)(c), F.S., such fees are not be included as a replaced revenue source.[233] Permit fees are generally required to be equal to the direct and actual cost of the regulatory activity of issuing and processing permits and related activities.[234]

[228] Section 202.19, F.S.
[229] Section 337.401(3)(c), F.S.
[230] Florida Department of Revenue, *2023 Agency Legislative Bill Analysis for SB 1432*, (Mar. 14, 2023)
[231] Section 202.19(8), F.S.
[232] Section 202.19(3)(a), F.S.
[233] Section 202.20(2)(b)1.e., F.S.
[234] Section 337.401(3)(c), F.S.

2025
Local Government Financial Information Handbook

February 2026

The Florida Legislature's

Office of Economic and Demographic Research

Communications Services Tax

Chapter 202 and Section 337.401, Florida Statutes

Summary:
The Communications Services Tax (CST) applies to telecommunications, video, direct-to-home satellite, and related services. The definition of *communications services* encompasses voice, data, audio, video, or any other information or signals transmitted by any medium. Examples of services subject to the tax include, but are not limited to, local, long distance, and toll telephone; voice over Internet protocol telephone; video services; video streaming; direct-to-home satellite; mobile communications; private line services; pager and beeper; telephone charges made at a hotel or motel; facsimiles; and telex, telegram, and teletype. The tax is imposed on retail sales of communications services which originate and terminate in the state or originate or terminate in the state and are billed to an address within the state. The tax is comprised of two parts: the Florida CST and the local CST. Tax proceeds are transferred to county and municipal governments, the Public Education Capital Outlay and Debt Service Trust Fund, and the state's General Revenue Fund.

Florida Communications Services Tax:
The Florida CST includes both a state tax and a gross receipts tax. Although the gross receipts tax on communications services is imposed under Chapter 203, F.S., it is administered under Chapter 202, F.S. Communications services, except direct-to-home satellite service, are subject to the state tax of 4.92 percent and the gross receipts tax of 2.52 percent for a combined rate of 7.44 percent.[1] Direct-to-home satellite service is subject to the state tax of 9.07 percent and the gross receipts tax of 2.37 percent for a combined rate of 11.44 percent.[2]

Local Communications Services Tax:
A county or municipality may authorize by ordinance the levy of a local CST.[3] The local tax rates vary depending on the type of local government entity. For municipalities and charter counties that have not chosen to levy permit fees, the tax may be levied at a rate of up to 5.1 percent. For municipalities and charter counties that have chosen to levy permit fees, the tax may be levied at a rate of up to 4.98 percent. Non-charter counties may levy the tax at a rate of up to 1.6 percent. These maximum rates do not include add-ons of up to 0.12 percent for municipalities and charter counties or up to 0.24 percent for non-charter counties that have elected not to require and collect permit fees authorized pursuant to s. 337.401, F.S., nor do they supersede conversion or emergency rates authorized by s. 202.20, F.S., which are in excess of these maximum rates.[4] In addition to the local CST, any local option sales tax that a county or school board has levied pursuant to s. 212.055, F.S., is imposed as a local CST, and the rate is determined in accordance with s. 202.20(3), F.S.[5]

General Law Amendments:
Chapter 2025-155, L.O.F., (CS/CS/CS/SB 1662) amends s. 337.401(2), F.S., to prohibit a municipality from prohibiting or requiring a permit for the installation of certain public sewer transmission lines. This

1. Sections 202.12(1)(a), 203.01(1)(b), F.S.
2. Sections 202.12(1)(b), 203.01(1)(b), F.S.
3. Section 202.19(1), F.S.
4. Section 202.19(2), F.S. See also the Florida Department of Revenue's discussion of Florida Communications Services Tax rates at https://floridarevenue.com/taxes/taxesfees/Pages/cst.aspx.
5. Section 202.19(5), F.S.

change was effective July 1, 2025. On July 10, 2025, the Revenue Estimating Conference adopted a negative indeterminate fiscal impact to local governments resulting from this change.[6]

Chapter 2025-208, L.O.F., (HB 7031) amends s. 202.19, F.S., to extend the current freeze on rate increases for local CST from January 1, 2026 to January 1, 2031. Additionally, the legislation amends s. 202.34, F.S., to require local governments to prioritize the use of local CST revenue for the timely review, processing, and approval of permit applications for the use of rights of way by providers. These changes were effective July 1, 2025. On July 15, 2025, the Revenue Estimating Conference adopted a ($0.3) million cash and ($1.0) million recurring fiscal impact in FY 2025-26.[7]

Eligibility Requirements:
County and municipal governments receive proceeds of the Florida CST. Counties, municipalities, and school boards may be eligible to receive proceeds of the local CST.

Administrative Procedures:
The CST, as imposed pursuant to Chapters 202 and 203, F.S., (i.e., the gross receipts tax on communications services) is paid by the purchaser and collected from the purchaser by the dealer of such services. Each dealer who makes retail sales of communications services adds the amount of applicable taxes to the price of services sold and states the taxes separately from the price of services on all invoices.[8] The Department of Revenue (DOR) administers the statewide collection of the state and local tax payments. Dealers who collect local CST notify the DOR of the method employed to accurately assign addresses to the appropriate taxing jurisdiction. The DOR maintains a database that provides the local taxing jurisdiction for all addresses in Florida. The database contains county and municipal names for every address and is based on information provided by the local taxing jurisdiction and updated at least once every six months.[9]

The amount of collected revenue is dependent on the jurisdiction's local CST rate. A county government's local CST is charged to those billable customers residing within the unincorporated area. A municipal government's local CST is charged to those billable customers residing within the incorporated area. The proceeds of each local CST levied by a county or municipality, less the DOR's costs of administration, is transferred to the Local Communications Services Tax Clearing Trust Fund for distribution to counties and municipalities. The amount deducted for administrative costs may not exceed 1 percent of the total revenue generated for all taxing jurisdictions, and the total administrative costs are prorated among those taxing jurisdictions on the basis of the amount collected for a particular jurisdiction relative to the amount collected for all such jurisdictions.[10]

Any adoption, repeal, or change in the rate of a local CST imposed under s. 202.19, F.S., is effective with respect to taxable services included on bills that are dated on or after the January 1st subsequent to such adoption, repeal, or change. The local government must notify the DOR of the adoption, repeal, or change by the September 1st that immediately precedes the January 1st effective date.[11]

6. https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/_pdf/page545-547.pdf
7. https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/_pdf/page601-602.pdf
8. Section 202.16, F.S.
9. Section 202.22, F.S.
10. Section 202.18(3), F.S.
11. Section 202.21, F.S.

Use of Public Rights-of-Way by Communications Services Providers:
Section 337.401(3)-(9), F.S., governs the use of public rights-of-way by providers of communications services. It is the Legislature's intent that county and municipal governments treat providers of communications services in a nondiscriminatory and competitively neutral manner when imposing rules or regulations governing the placement or maintenance of communications facilities in the public roads or rights-of-way and take into account the distinct engineering, construction, operation, maintenance, public works and safety requirements of the provider's facilities when imposing such rules or regulations.

As of January 1, 2019, any county or municipality that elected to require permit fees from any provider of communications services that uses or occupies county or municipal roads or rights-of-way pursuant to former s. 337.401(3)(c) or (j), F.S. (2018), may continue to require and collect such fees. According to the DOR, only three local governments: the City of Bowling Green in Hardee County, Collier County, and Orange County, impose permit fees.[12] However, a county or municipality that had not elected, as of January 1, 2019, to require such permit fees may not elect to impose them in the future.

Distribution of Proceeds:
Florida Communications Services Tax:
The proceeds derived from the gross receipts tax on communications services and direct-to-home satellite service are transferred to the Public Education Capital Outlay and Debt Service Trust Fund, which serves as a funding source for capital construction of educational facilities.[13] The proceeds derived from the 4.92 percent state tax on communications services, except direct-to-home satellite service, are distributed by the same formula used for distribution of the state sales and use tax, as prescribed in s. 212.20(6), F.S.[14]

The proceeds derived from the 9.07 percent state tax on direct-to-home satellite service are distributed pursuant to s. 202.18(2), F.S.[15] This provision specifies that 55.9 percent of the proceeds are distributed by the state sales and use tax distribution formula prescribed in s. 212.20(6), F.S., with an adjustment to s. 212.20(6)(d), F.S. The remaining 44.1 percent of the proceeds are transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund with 70 percent allocated in the same proportion as the ordinary distribution under s. 218.61, F.S., and the emergency distribution under s. 218.65, F.S., in the prior state fiscal year, and 30 percent allocated pursuant to the distribution for fiscally constrained counties under s. 218.67, F.S.

Local Communications Services Tax:
The amount of tax revenues available for distribution to local governments is dependent on each jurisdiction's taxable sales and local tax rate. The tax revenues, less the DOR's administrative cost deduction not to exceed 1 percent of total revenues, are distributed monthly to the appropriate jurisdictions. The proceeds of taxes imposed pursuant to s. 202.19(5), F.S., are distributed in the same manner as the local option sales taxes.[16]

Authorized Uses:
The tax revenues raised by or distributed to a county or municipal government tax may be used for any public purpose, including the pledge of such revenues for the repayment of current or future bonded

12. http://floridarevenue.com/taxes/Documents/cst_rate_table.xlsx
13. Sections 202.18(1)(a), 202.18(2)(a), F.S.
14. Section 202.18(1)(b), F.S.
15. Section 202.12(1)(b), F.S.
16. Section 202.18(3), F.S.

indebtedness. However, any revenue raised by a tax imposed pursuant to s. 202.19(5), F.S., (i.e., a local option sales tax imposed on communications services) is used for the same purposes as the underlying local option sales tax imposed by the county or school board pursuant to s. 212.055, F.S.[17]

Attorney General Opinions:
Florida's Attorney General has issued the following legal opinion relevant to this revenue source.

Opinion #	Subject
2008-14	Records, lease payments as proprietary information

The full text of this opinion is available via a searchable on-line database.[18] Local government officials seeking more clarification should review the opinion in its entirety. The reader should keep the date of the opinion in mind when reviewing its relevance to current law or any interpretations that have been articulated in Florida case law.

Local Tax Rates and Current Year's Revenues:
The DOR maintains a list of historical, current, and upcoming local tax rates.[19] The table included in this section lists the estimated local CST distributions for local fiscal year ending 2026 as calculated by the DOR.

Additional Detail:
Compilations of communications services taxable sales within county unincorporated areas and municipal jurisdictions as well as local CST distributions to counties and municipalities by fiscal year, as compiled from DOR source data, can be found on the EDR's website.[20]

17. Section 202.19(8), F.S.
18. https://www.myfloridalegal.com/ag-opinions
19. http://floridarevenue.com/taxes/taxesfees/Pages/cst.aspx
20. http://edr.state.fl.us/Content/local-government/data/data-a-to-z/index.cfm

Forecast of Taxable Communication Services and Revenues

Local Fiscal Year Ending September 30, 2026

Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
ALACHUA BOCC	**$ 67,796,686**	**6.90%**	**$ 4,677,971**	**113,953**	**$ 595**
Alachua	$ 6,683,030	5.22%	$ 348,854	11,296	$ 592
Archer	$ 1,062,331	5.22%	$ 55,454	1,165	$ 912
Gainesville	$ 67,337,158	5.57%	$ 3,750,680	149,456	$ 451
Hawthorne	$ 1,438,515	5.22%	$ 75,090	1,485	$ 969
High Springs	$ 4,644,464	5.22%	$ 242,441	7,118	$ 652
La Crosse	$ 171,653	3.42%	$ 5,871	304	$ 565
Micanopy	$ 682,805	5.10%	$ 34,823	653	$ 1,046
Newberry	$ 5,885,136	5.22%	$ 307,204	9,104	$ 646
Waldo	$ 562,649	5.22%	$ 29,370	869	$ 647
BAKER BOCC	**$ 7,424,672**	**1.84%**	**$ 136,614**	**19,064**	**$ 389**
Glen St. Mary	$ 1,718,733	5.30%	$ 91,093	491	$ 3,500
Macclenny	$ 5,840,622	6.02%	$ 351,605	8,113	$ 720
BAY BOCC	**$ 46,804,909**	**1.84%**	**$ 861,210**	**87,527**	**$ 535**
Callaway	$ 7,239,385	5.22%	$ 377,896	14,835	$ 488
Lynn Haven	$ 13,444,932	5.22%	$ 701,825	20,464	$ 657
Mexico Beach	$ 1,230,617	2.88%	$ 35,442	1,416	$ 869
Panama City	$ 33,200,193	5.22%	$ 1,733,050	37,769	$ 879
Panama City Beach	$ 22,703,640	5.22%	$ 1,185,130	19,549	$ 1,161
Parker	$ 2,240,185	5.22%	$ 116,938	4,427	$ 506
Springfield	$ 2,915,187	5.22%	$ 152,173	9,010	$ 324
BRADFORD BOCC	**$ 4,791,130**	**0.64%**	**$ 30,663**	**17,911**	**$ 267**
Brooker	$ 243,940	3.00%	$ 7,318	313	$ 779
Hampton	$ 269,108	2.20%	$ 5,920	483	$ 557
Lawtey	$ 424,360	1.10%	$ 4,668	658	$ 645
Starke	$ 4,626,308	5.22%	$ 241,493	5,883	$ 786
BREVARD BOCC	**$ 152,019,750**	**5.22%**	**$ 7,935,431**	**235,786**	**$ 645**
Cape Canaveral	$ 7,648,208	5.22%	$ 399,236	10,002	$ 765
Cocoa	$ 13,488,117	5.22%	$ 704,080	21,123	$ 639
Cocoa Beach	$ 9,759,001	5.22%	$ 509,420	11,349	$ 860
Grant-Valkaria	$ 2,805,231	5.22%	$ 146,433	5,441	$ 516
Indialantic	$ 4,069,547	5.80%	$ 236,034	3,009	$ 1,352
Indian Harbour Beach	$ 4,345,813	5.22%	$ 226,851	8,984	$ 484
Malabar	$ 2,465,400	5.22%	$ 128,694	3,118	$ 791
Melbourne	$ 85,594,481	5.93%	$ 5,075,753	87,858	$ 974
Melbourne Beach	$ 3,341,644	5.22%	$ 174,434	3,306	$ 1,011
Melbourne Village	$ 274,951	5.22%	$ 14,352	684	$ 402
Palm Bay	$ 63,175,939	5.22%	$ 3,297,784	140,199	$ 451
Palm Shores	$ 737,630	5.22%	$ 38,504	1,197	$ 616
Rockledge	$ 21,887,215	5.22%	$ 1,142,513	29,134	$ 751
Satellite Beach	$ 9,891,741	5.22%	$ 516,349	11,453	$ 864
Titusville	$ 29,465,750	5.22%	$ 1,538,112	50,462	$ 584
West Melbourne	$ 13,680,003	5.52%	$ 755,136	30,443	$ 449
BROWARD BOCC	**$ 31,815,870**	**5.22%**	**$ 1,660,788**	**17,233**	**$ 1,846**
Coconut Creek	$ 29,458,876	5.22%	$ 1,537,753	57,702	$ 511
Cooper City	$ 16,187,747	5.22%	$ 845,000	35,019	$ 462
Coral Springs	$ 67,895,096	5.22%	$ 3,544,124	135,191	$ 502
Dania Beach	$ 23,859,251	5.32%	$ 1,269,312	33,746	$ 707
Davie	$ 58,729,114	5.20%	$ 3,053,914	107,368	$ 547
Deerfield Beach	$ 54,246,897	5.22%	$ 2,831,688	87,402	$ 621
Fort Lauderdale	$ 219,470,180	5.22%	$ 11,456,343	189,491	$ 1,158
Hallandale Beach	$ 24,061,515	5.22%	$ 1,256,011	41,771	$ 576
Hillsboro Beach	$ 2,372,141	1.20%	$ 28,466	1,971	$ 1,204

Forecast of Taxable Communication Services and Revenues

Local Fiscal Year Ending September 30, 2026

Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
Hollywood	$ 108,071,134	5.22%	$ 5,641,313	155,038	$ 697
Lauderdale-By-The-Sea	$ 5,522,720	5.22%	$ 288,286	6,181	$ 893
Lauderdale Lakes	$ 15,688,456	5.32%	$ 834,626	36,659	$ 428
Lauderhill	$ 24,272,580	5.22%	$ 1,267,029	74,751	$ 325
Lazy Lake	$ 69,970	0.60%	$ 420	33	$ 2,120
Lighthouse Point	$ 9,846,811	6.22%	$ 612,472	10,462	$ 941
Margate	$ 32,314,779	5.32%	$ 1,719,146	58,544	$ 552
Miramar	$ 75,629,957	5.22%	$ 3,947,884	139,500	$ 542
North Lauderdale	$ 13,811,888	5.22%	$ 720,981	44,853	$ 308
Oakland Park	$ 26,163,041	5.42%	$ 1,418,037	46,039	$ 568
Parkland	$ 29,431,109	5.22%	$ 1,536,304	38,342	$ 768
Pembroke Park	$ 2,324,159	5.22%	$ 121,321	6,105	$ 381
Pembroke Pines	$ 87,745,162	5.42%	$ 4,755,788	170,299	$ 515
Plantation	$ 65,304,718	5.22%	$ 3,408,906	98,431	$ 663
Pompano Beach	$ 85,573,436	5.22%	$ 4,466,933	114,587	$ 747
Sea Ranch Lakes	$ 521,171	5.22%	$ 27,205	535	$ 974
Southwest Ranches	$ 8,035,376	5.22%	$ 419,447	7,796	$ 1,031
Sunrise	$ 57,234,483	5.22%	$ 2,987,640	97,899	$ 585
Tamarac	$ 37,869,866	5.22%	$ 1,976,807	73,130	$ 518
West Park	$ 4,133,934	5.22%	$ 215,791	15,218	$ 272
Weston	$ 45,374,444	5.22%	$ 2,368,546	68,249	$ 665
Wilton Manors	$ 10,750,080	5.62%	$ 604,154	11,495	$ 935
CALHOUN BOCC	**$ 3,616,105**	**1.84%**	**$ 66,536**	**9,818**	**$ 368**
Altha	$ 552,470	5.22%	$ 28,839	487	$ 1,134
Blountstown	$ 1,857,307	5.22%	$ 96,951	2,262	$ 821
CHARLOTTE BOCC	**$ 106,338,647**	**5.22%**	**$ 5,550,877**	**188,891**	**$ 563**
Punta Gorda	$ 19,365,545	5.22%	$ 1,010,881	20,443	$ 947
CITRUS BOCC	**$ 80,488,197**	**2.24%**	**$ 1,802,936**	**154,598**	**$ 521**
Crystal River	$ 5,133,013	5.22%	$ 267,943	3,516	$ 1,460
Inverness	$ 7,548,512	5.32%	$ 401,581	7,922	$ 953
CLAY BOCC	**$ 106,787,313**	**5.92%**	**$ 6,321,809**	**214,616**	**$ 498**
Green Cove Springs	$ 12,600,510	5.22%	$ 657,747	10,270	$ 1,227
Keystone Heights	$ 2,604,246	5.22%	$ 135,942	1,473	$ 1,768
Orange Park	$ 13,260,256	5.22%	$ 692,185	9,171	$ 1,446
Penney Farms	$ 252,855	5.22%	$ 13,199	835	$ 303
COLLIER BOCC	**$ 202,431,856**	**2.10%**	**$ 4,251,069**	**372,304**	**$ 544**
Everglades	$ 449,535	3.90%	$ 17,532	381	$ 1,180
Marco Island	$ 16,997,552	2.10%	$ 356,949	16,288	$ 1,044
Naples	$ 79,090,169	5.22%	$ 4,128,507	19,390	$ 4,079
COLUMBIA BOCC	**$ 25,039,114**	**5.22%**	**$ 1,307,042**	**55,843**	**$ 448**
Fort White	$ 1,004,015	0.60%	$ 6,024	667	$ 1,505
Lake City	$ 11,930,895	5.22%	$ 622,793	12,173	$ 980
DESOTO BOCC	**$ 7,506,204**	**2.34%**	**$ 175,645**	**25,364**	**$ 296**
Arcadia	$ 4,919,658	5.22%	$ 256,806	7,702	$ 639
DIXIE BOCC	**$ 3,620,300**	**1.84%**	**$ 66,614**	**14,076**	**$ 257**
Cross City	$ 1,017,257	2.50%	$ 25,431	1,698	$ 599
Horseshoe Beach	$ 103,695	6.20%	$ 6,429	153	$ 678
DUVAL - Jacksonville	**$ 634,406,916**	**5.22%**	**$ 33,116,041**	**1,015,655**	**$ 625**
Atlantic Beach	$ 11,626,596	5.22%	$ 606,908	13,517	$ 860
Baldwin	$ 987,583	6.22%	$ 61,428	1,426	$ 693
Jacksonville Beach	$ 28,055,910	5.22%	$ 1,464,519	24,309	$ 1,154
Neptune Beach	$ 5,696,316	5.22%	$ 297,348	7,238	$ 787

Forecast of Taxable Communication Services and Revenues

Local Fiscal Year Ending September 30, 2026

Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
ESCAMBIA BOCC	**$ 122,589,177**	**1.84%**	**$ 2,255,641**	**277,375**	**$ 442**
Century	$ 1,103,001	2.10%	$ 23,163	1,638	$ 673
Pensacola	$ 66,076,371	5.22%	$ 3,449,187	55,106	$ 1,199
FLAGLER BOCC	**$ 12,372,896**	**1.84%**	**$ 227,661**	**19,901**	**$ 622**
Beverly Beach	$ 379,154	5.10%	$ 19,337	503	$ 754
Bunnell	$ 4,263,818	5.75%	$ 245,170	4,151	$ 1,027
Flagler Beach (part)	$ 4,184,359	5.10%	$ 213,402	5,550	$ 754
Marineland (part)	$ 1,359,083	0.40%	$ 5,436	12	$ 113,257
Palm Coast	$ 59,879,617	5.22%	$ 3,125,716	106,193	$ 564
FRANKLIN BOCC	**$ 4,896,286**	**0.90%**	**$ 44,067**	**7,778**	**$ 630**
Apalachicola	$ 2,045,755	3.60%	$ 73,647	2,470	$ 828
Carrabelle	$ 1,134,017	5.82%	$ 66,000	1,967	$ 577
GADSDEN BOCC	**$ 8,197,595**	**1.84%**	**$ 150,836**	**24,796**	**$ 331**
Chattahoochee	$ 1,052,048	5.22%	$ 54,917	1,976	$ 532
Greensboro	$ 450,185	5.12%	$ 23,049	444	$ 1,014
Gretna	$ 460,810	4.02%	$ 18,525	1,355	$ 340
Havana	$ 1,608,322	5.22%	$ 83,954	1,797	$ 895
Midway	$ 2,082,540	3.70%	$ 77,054	3,683	$ 565
Quincy	$ 5,052,884	5.22%	$ 263,761	7,711	$ 655
GILCHRIST BOCC	**$ 4,291,992**	**1.84%**	**$ 78,973**	**15,384**	**$ 279**
Bell	$ 696,139	4.50%	$ 31,326	521	$ 1,336
Fanning Springs (part)	$ 639,245	5.62%	$ 35,926	613	$ 1,043
Trenton	$ 1,340,767	5.22%	$ 69,988	2,173	$ 617
GLADES BOCC	**$ 475,067**	**1.84%**	**$ 8,741**	**10,312**	**$ 46**
Moore Haven	$ 1,236,454	1.20%	$ 14,837	1,533	$ 807
GULF BOCC	**$ 4,537,049**	**1.84%**	**$ 83,482**	**8,989**	**$ 505**
Port St. Joe	$ 3,572,656	5.22%	$ 186,493	3,912	$ 913
Wewahitchka	$ 1,188,260	5.22%	$ 62,027	2,292	$ 518
HAMILTON BOCC	**$ 2,181,225**	**0.30%**	**$ 6,544**	**8,084**	**$ 270**
Jasper	$ 1,635,681	4.80%	$ 78,513	2,541	$ 644
Jennings	$ 615,304	5.10%	$ 31,380	721	$ 853
White Springs	$ 644,670	5.00%	$ 32,234	731	$ 882
HARDEE BOCC	**$ 3,323,583**	**1.34%**	**$ 44,536**	**14,952**	**$ 222**
Bowling Green	$ 1,085,090	5.10%	$ 55,340	2,462	$ 441
Wauchula	$ 3,719,465	5.10%	$ 189,693	4,905	$ 758
Zolfo Springs	$ 960,133	2.32%	$ 22,275	1,836	$ 523
HENDRY BOCC	**$ 7,493,210**	**1.84%**	**$ 137,875**	**32,597**	**$ 230**
Clewiston	$ 4,962,488	5.22%	$ 259,042	7,336	$ 676
LaBelle	$ 4,761,413	4.22%	$ 200,932	5,480	$ 869
HERNANDO BOCC	**$ 91,435,496**	**1.84%**	**$ 1,682,413**	**200,384**	**$ 456**
Brooksville	$ 17,940,061	5.22%	$ 936,471	9,752	$ 1,840
HIGHLANDS BOCC	**$ 30,976,040**	**1.84%**	**$ 569,959**	**82,133**	**$ 377**
Avon Park	$ 4,887,998	5.22%	$ 255,153	9,814	$ 498
Lake Placid	$ 3,228,573	5.22%	$ 168,531	2,453	$ 1,316
Sebring	$ 10,685,877	5.22%	$ 557,803	11,687	$ 914
HILLSBOROUGH BOCC	**$ 525,049,883**	**4.00%**	**$ 21,001,995**	**1,081,270**	**$ 486**
Plant City	$ 25,849,732	5.72%	$ 1,478,605	42,141	$ 613
Tampa	$ 346,938,308	5.22%	$ 18,110,180	408,796	$ 849
Temple Terrace	$ 20,334,888	5.40%	$ 1,098,084	27,471	$ 740
HOLMES BOCC	**$ 3,067,234**	**1.84%**	**$ 56,437**	**14,446**	**$ 212**
Bonifay	$ 2,400,627	5.82%	$ 139,716	2,838	$ 846
Esto	$ 66,225	0.80%	$ 530	352	$ 188

Forecast of Taxable Communication Services and Revenues

Local Fiscal Year Ending September 30, 2026

Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
Noma	$ 46,176	0.10%	$ 46	216	$ 214
Ponce de Leon	$ 449,064	2.70%	$ 12,125	511	$ 879
Westville	$ 179,745	0.90%	$ 1,618	269	$ 668
INDIAN RIVER BOCC	**$ 61,310,798**	**1.84%**	**$ 1,128,119**	**117,226**	**$ 523**
Fellsmere	$ 3,647,237	5.22%	$ 190,386	4,990	$ 731
Indian River Shores	$ 6,755,903	5.22%	$ 352,658	4,553	$ 1,484
Orchid	$ 665,556	2.10%	$ 13,977	548	$ 1,215
Sebastian	$ 16,883,444	5.22%	$ 881,316	26,907	$ 627
Vero Beach	$ 30,141,891	5.12%	$ 1,543,265	16,805	$ 1,794
JACKSON BOCC	**$ 8,707,011**	**1.84%**	**$ 160,209**	**29,637**	**$ 294**
Alford	$ 306,836	1.50%	$ 4,603	474	$ 647
Bascom	$ 51,487	1.32%	$ 680	96	$ 536
Campbellton	$ 143,539	5.22%	$ 7,493	197	$ 729
Cottondale	$ 853,082	5.22%	$ 44,531	823	$ 1,037
Graceville	$ 1,805,890	5.22%	$ 94,267	2,045	$ 883
Grand Ridge	$ 757,294	5.22%	$ 39,531	942	$ 804
Greenwood	$ 493,485	5.22%	$ 25,760	527	$ 936
Jacob City	$ 67,952	5.22%	$ 3,547	235	$ 289
Malone	$ 378,306	5.22%	$ 19,748	613	$ 617
Marianna	$ 4,833,547	5.22%	$ 252,311	5,905	$ 819
Sneads	$ 1,029,665	5.22%	$ 53,749	1,678	$ 614
JEFFERSON BOCC	**$ 3,243,634**	**1.14%**	**$ 36,977**	**11,600**	**$ 280**
Monticello	$ 1,684,525	4.50%	$ 75,804	2,788	$ 604
LAFAYETTE BOCC	**$ 1,865,330**	**1.84%**	**$ 34,322**	**6,130**	**$ 304**
Mayo	$ 1,067,694	2.00%	$ 21,354	1,081	$ 988
LAKE BOCC	**$ 85,185,894**	**1.94%**	**$ 1,652,606**	**198,494**	**$ 429**
Astatula	$ 1,019,016	5.22%	$ 53,193	2,205	$ 462
Clermont	$ 41,331,239	5.22%	$ 2,157,491	48,991	$ 844
Eustis	$ 12,842,561	5.22%	$ 670,382	24,180	$ 531
Fruitland Park	$ 7,662,900	5.22%	$ 400,003	8,637	$ 887
Groveland	$ 13,676,081	5.22%	$ 713,891	23,697	$ 577
Howey-in-the-Hills	$ 1,644,100	5.22%	$ 85,822	1,934	$ 850
Lady Lake	$ 13,912,930	5.22%	$ 726,255	16,364	$ 850
Leesburg	$ 22,347,502	5.22%	$ 1,166,540	33,344	$ 670
Mascotte	$ 3,214,878	5.22%	$ 167,817	9,215	$ 349
Minneola	$ 8,564,020	5.22%	$ 447,042	19,899	$ 430
Montverde	$ 1,849,644	5.10%	$ 94,332	2,191	$ 844
Mount Dora	$ 12,329,356	5.22%	$ 643,592	18,227	$ 676
Tavares	$ 12,674,992	5.32%	$ 674,310	21,530	$ 589
Umatilla	$ 3,324,999	5.22%	$ 173,565	3,888	$ 855
LEE BOCC	**$ 200,097,167**	**3.61%**	**$ 7,223,508**	**402,233**	**$ 497**
Bonita Springs	$ 43,402,701	3.61%	$ 1,566,837	56,060	$ 774
Cape Coral	$ 122,750,226	5.22%	$ 6,407,562	220,210	$ 557
Estero	$ 31,234,501	3.61%	$ 1,127,565	37,993	$ 822
Fort Myers	$ 92,876,992	5.22%	$ 4,848,179	100,718	$ 922
Fort Myers Beach	$ 6,467,687	5.22%	$ 337,613	3,665	$ 1,765
Sanibel	$ 6,664,537	5.22%	$ 347,889	5,971	$ 1,116
LEON BOCC	**$ 48,168,963**	**5.22%**	**$ 2,514,420**	**99,993**	**$ 482**
Tallahassee	$ 125,718,068	6.10%	$ 7,668,802	200,813	$ 626
LEVY BOCC	**$ 9,198,829**	**1.84%**	**$ 169,258**	**35,600**	**$ 258**
Bronson	$ 871,008	2.50%	$ 21,775	1,156	$ 753
Cedar Key	$ 728,924	2.10%	$ 15,307	684	$ 1,066

Forecast of Taxable Communication Services and Revenues

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Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
Chiefland	$ 1,991,778	5.22%	$ 103,971	2,318	$ 859
Fanning Springs (part)	$ 97,989	5.62%	$ 5,507	697	$ 141
Inglis	$ 789,202	5.22%	$ 41,196	1,499	$ 526
Otter Creek	$ 48,933	0.70%	$ 343	111	$ 441
Williston	$ 1,685,550	5.22%	$ 87,986	3,205	$ 526
Yankeetown	$ 420,149	5.72%	$ 24,033	575	$ 731
LIBERTY BOCC	**$ 1,942,707**	**0.60%**	**$ 11,656**	**5,506**	**$ 353**
Bristol	$ 783,215	5.22%	$ 40,884	961	$ 815
MADISON BOCC	**$ 3,992,583**	**1.84%**	**$ 73,464**	**13,328**	**$ 300**
Greenville	$ 736,429	4.62%	$ 34,023	732	$ 1,006
Lee	$ 440,709	5.22%	$ 23,005	395	$ 1,116
Madison	$ 1,818,594	5.22%	$ 94,931	2,880	$ 631
MANATEE BOCC	**$ 197,379,998**	**1.84%**	**$ 3,631,792**	**376,217**	**$ 525**
Anna Maria	$ 2,109,483	5.22%	$ 110,115	957	$ 2,204
Bradenton	$ 64,971,278	5.72%	$ 3,716,357	57,412	$ 1,132
Bradenton Beach	$ 2,369,496	5.72%	$ 135,535	902	$ 2,627
Holmes Beach	$ 3,431,847	5.22%	$ 179,142	3,018	$ 1,137
Longboat Key (part)	$ 4,743,558	5.22%	$ 247,614	2,741	$ 1,731
Palmetto	$ 9,125,981	5.42%	$ 494,628	13,948	$ 654
MARION BOCC	**$ 131,222,832**	**1.74%**	**$ 2,276,716**	**335,776**	**$ 391**
Belleview	$ 5,222,694	5.12%	$ 267,402	5,939	$ 879
Dunnellon	$ 4,551,326	5.22%	$ 237,579	2,015	$ 2,259
McIntosh	$ 457,124	5.22%	$ 23,862	470	$ 973
Ocala	$ 69,401,855	5.22%	$ 3,622,777	69,286	$ 1,002
Reddick	$ 328,757	1.30%	$ 4,274	465	$ 707
MARTIN BOCC	**$ 87,704,529**	**1.84%**	**$ 1,613,763**	**132,390**	**$ 662**
Indiantown	$ 1,554,637	5.22%	$ 81,152	6,700	$ 232
Jupiter Island	$ 2,627,086	5.22%	$ 137,134	814	$ 3,227
Ocean Breeze	$ 302,298	2.20%	$ 6,651	608	$ 497
Sewall's Point	$ 1,710,870	3.12%	$ 53,379	2,057	$ 832
Stuart	$ 26,673,088	5.22%	$ 1,392,335	20,171	$ 1,322
MIAMI-DADE BOCC	**$ 546,627,991**	**5.22%**	**$ 28,533,981**	**1,201,375**	**$ 455**
Aventura	$ 34,135,788	5.20%	$ 1,775,061	40,104	$ 851
Bal Harbour	$ 4,933,567	5.22%	$ 257,532	3,010	$ 1,639
Bay Harbor Islands	$ 4,684,718	5.22%	$ 244,542	5,793	$ 809
Biscayne Park	$ 1,532,686	5.22%	$ 80,006	3,030	$ 506
Coral Gables	$ 54,013,905	5.22%	$ 2,819,526	50,813	$ 1,063
Cutler Bay	$ 19,808,747	5.22%	$ 1,034,017	45,026	$ 440
Doral	$ 87,186,849	5.22%	$ 4,551,153	82,175	$ 1,061
El Portal	$ 795,974	5.60%	$ 44,575	2,236	$ 356
Florida City	$ 4,267,741	5.42%	$ 231,312	17,173	$ 249
Golden Beach	$ 909,236	2.12%	$ 19,276	981	$ 927
Hialeah	$ 100,284,486	5.87%	$ 5,886,699	230,575	$ 435
Hialeah Gardens	$ 5,873,375	5.22%	$ 306,590	22,303	$ 263
Homestead	$ 36,182,290	5.42%	$ 1,961,080	83,997	$ 431
Indian Creek	$ 237,766	0.70%	$ 1,664	89	$ 2,672
Key Biscayne	$ 14,839,560	5.22%	$ 774,625	14,603	$ 1,016
Medley	$ 12,587,237	6.22%	$ 782,926	1,050	$ 11,988
Miami	$ 437,485,801	5.22%	$ 22,836,759	464,283	$ 942
Miami Beach	$ 76,951,383	5.22%	$ 4,016,862	83,230	$ 925
Miami Gardens	$ 40,589,352	5.22%	$ 2,118,764	115,364	$ 352
Miami Lakes	$ 17,539,505	5.22%	$ 915,562	30,839	$ 569

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Miami Shores	$ 8,649,622	5.72%	$ 494,758	11,553	$ 749
Miami Springs	$ 6,249,628	5.22%	$ 326,231	13,866	$ 451
North Bay Village	$ 3,018,159	4.90%	$ 147,890	7,977	$ 378
North Miami	$ 21,854,148	5.22%	$ 1,140,787	59,955	$ 365
North Miami Beach	$ 43,359,053	5.22%	$ 2,263,343	43,575	$ 995
Opa-locka	$ 11,985,796	5.22%	$ 625,659	16,560	$ 724
Palmetto Bay	$ 17,002,268	5.22%	$ 887,518	25,091	$ 678
Pinecrest	$ 19,035,847	5.52%	$ 1,050,779	18,304	$ 1,040
South Miami	$ 6,689,382	5.22%	$ 349,186	12,018	$ 557
Sunny Isles Beach	$ 16,706,594	5.22%	$ 872,084	22,788	$ 733
Surfside	$ 3,690,275	5.22%	$ 192,632	5,401	$ 683
Sweetwater	$ 7,586,079	5.22%	$ 395,993	21,393	$ 355
Virginia Gardens	$ 1,195,348	5.22%	$ 62,397	2,374	$ 504
West Miami	$ 2,555,284	5.22%	$ 133,386	7,257	$ 352
MONROE BOCC	**$ 33,536,134**	**1.64%**	**$ 549,993**	**39,546**	**$ 848**
Islamorada	$ 7,542,349	5.22%	$ 393,711	7,342	$ 1,027
Key Colony Beach	$ 1,263,364	5.10%	$ 64,432	796	$ 1,587
Key West	$ 25,243,284	5.22%	$ 1,317,699	26,325	$ 959
Layton	$ -	0.00%	$ -	216	$ -
Marathon	$ 9,418,986	5.22%	$ 491,671	9,920	$ 949
NASSAU BOCC	**$ 41,983,453**	**1.84%**	**$ 772,496**	**85,441**	**$ 491**
Callahan	$ 4,357,792	4.50%	$ 196,101	1,733	$ 2,515
Fernandina Beach	$ 20,582,197	5.12%	$ 1,053,809	13,625	$ 1,511
Hilliard	$ 2,443,863	5.22%	$ 127,570	3,120	$ 783
OKALOOSA BOCC	**$ 60,676,120**	**2.30%**	**$ 1,395,551**	**126,989**	**$ 478**
Cinco Bayou	$ 296,518	5.12%	$ 15,182	466	$ 636
Crestview	$ 23,200,240	5.22%	$ 1,211,053	29,872	$ 777
Destin	$ 19,839,466	5.22%	$ 1,035,620	14,608	$ 1,358
Fort Walton Beach	$ 22,353,342	5.62%	$ 1,256,258	21,090	$ 1,060
Laurel Hill	$ 692,820	2.80%	$ 19,399	685	$ 1,011
Mary Esther	$ 4,021,281	5.02%	$ 201,868	4,493	$ 895
Niceville	$ 16,671,221	5.50%	$ 916,917	16,594	$ 1,005
Shalimar	$ 3,278,373	5.00%	$ 163,919	756	$ 4,336
Valparaiso	$ 2,903,691	5.22%	$ 151,573	5,050	$ 575
OKEECHOBEE BOCC	**$ 11,189,786**	**0.80%**	**$ 89,518**	**32,891**	**$ 340**
Okeechobee	$ 6,044,968	5.10%	$ 308,293	5,452	$ 1,109
ORANGE BOCC	**$ 363,916,030**	**4.98%**	**$ 18,123,018**	**937,356**	**$ 388**
Apopka	$ 40,313,879	6.12%	$ 2,467,209	61,820	$ 652
Bay Lake	$ -	0.00%	$ -	14	$ -
Belle Isle	$ 5,204,977	5.22%	$ 271,700	7,293	$ 714
Eatonville	$ 3,028,549	5.22%	$ 158,090	2,464	$ 1,229
Edgewood	$ 2,794,684	5.22%	$ 145,882	2,553	$ 1,095
Lake Buena Vista	$ -	0.00%	$ -	21	$ -
Maitland	$ 22,656,157	5.22%	$ 1,182,651	20,042	$ 1,130
Oakland	$ 3,710,692	5.22%	$ 193,698	5,402	$ 687
Ocoee	$ 28,593,019	5.22%	$ 1,492,556	51,189	$ 559
Orlando	$ 324,077,607	5.22%	$ 16,916,851	334,496	$ 969
Windermere	$ 12,000,697	5.22%	$ 626,436	3,200	$ 3,750
Winter Garden	$ 33,346,914	5.22%	$ 1,740,709	51,501	$ 648
Winter Park	$ 40,990,198	5.72%	$ 2,344,639	30,528	$ 1,343
OSCEOLA BOCC	**$ 130,335,538**	**5.22%**	**$ 6,803,515**	**299,947**	**$ 435**
Kissimmee	$ 46,798,011	5.22%	$ 2,442,856	84,958	$ 551

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Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
St. Cloud	$ 26,736,059	5.10%	$ 1,363,539	66,084	$ 405
PALM BEACH BOCC	**$ 393,092,260**	**5.72%**	**$ 22,484,877**	**671,338**	**$ 586**
Atlantis	$ 2,546,277	5.10%	$ 129,860	2,135	$ 1,193
Belle Glade	$ 5,758,463	5.12%	$ 294,833	17,468	$ 330
Boca Raton	$ 147,911,270	5.42%	$ 8,016,791	100,560	$ 1,471
Boynton Beach	$ 54,615,525	5.22%	$ 2,850,930	82,393	$ 663
Briny Breezes	$ 176,198	5.22%	$ 9,198	498	$ 354
Cloud Lake	$ 85,699	2.32%	$ 1,988	137	$ 626
Delray Beach	$ 67,718,075	5.22%	$ 3,534,884	68,096	$ 994
Glen Ridge	$ 151,759	5.22%	$ 7,922	214	$ 709
Golf	$ 1,804,578	5.22%	$ 94,199	287	$ 6,288
Greenacres	$ 26,086,625	6.44%	$ 1,679,979	45,439	$ 574
Gulf Stream	$ 1,234,257	5.22%	$ 64,428	956	$ 1,291
Haverhill	$ 1,154,372	2.60%	$ 30,014	2,194	$ 526
Highland Beach	$ 4,164,224	5.22%	$ 217,373	4,287	$ 971
Hypoluxo	$ 2,775,371	5.92%	$ 164,302	2,672	$ 1,039
Juno Beach	$ 5,046,348	5.22%	$ 263,419	3,871	$ 1,304
Jupiter	$ 57,417,573	5.22%	$ 2,997,197	61,215	$ 938
Jupiter Inlet Colony	$ 473,992	5.22%	$ 24,742	412	$ 1,150
Lake Clarke Shores	$ 1,873,086	5.22%	$ 97,775	3,545	$ 528
Lake Park	$ 5,510,767	5.32%	$ 293,173	9,014	$ 611
Lake Worth	$ 15,628,756	5.22%	$ 815,821	43,472	$ 360
Lantana	$ 5,105,763	5.42%	$ 276,732	12,218	$ 418
Loxahatchee Groves	$ 1,995,568	5.22%	$ 104,169	3,374	$ 591
Manalapan	$ 688,471	1.60%	$ 11,016	416	$ 1,655
Mangonia Park	$ 1,572,261	5.62%	$ 88,361	2,511	$ 626
North Palm Beach	$ 13,831,726	5.22%	$ 722,016	13,101	$ 1,056
Ocean Ridge	$ 2,000,905	2.00%	$ 40,018	1,810	$ 1,105
Pahokee	$ 1,519,176	5.22%	$ 79,301	5,302	$ 287
Palm Beach	$ 22,248,394	5.22%	$ 1,161,366	9,212	$ 2,415
Palm Beach Gardens	$ 64,193,912	3.50%	$ 2,246,787	62,486	$ 1,027
Palm Beach Shores	$ 1,052,491	5.52%	$ 58,098	1,283	$ 820
Palm Springs	$ 10,214,302	5.32%	$ 543,401	27,312	$ 374
Riviera Beach	$ 21,851,616	5.22%	$ 1,140,654	39,390	$ 555
Royal Palm Beach	$ 18,696,781	5.22%	$ 975,972	40,430	$ 462
South Bay	$ 1,054,202	5.10%	$ 53,764	3,065	$ 344
South Palm Beach	$ 1,314,378	5.60%	$ 73,605	1,465	$ 897
Tequesta	$ 6,172,711	5.22%	$ 322,215	6,093	$ 1,013
Wellington	$ 42,151,400	5.22%	$ 2,200,303	61,794	$ 682
West Palm Beach	$ 103,536,874	5.42%	$ 5,611,699	125,319	$ 826
Westlake	$ 3,816,794	5.22%	$ 199,237	6,419	$ 595
PASCO BOCC	**$ 259,925,214**	**1.84%**	**$ 4,782,624**	**579,118**	**$ 449**
Dade City	$ 7,145,839	5.22%	$ 373,013	9,382	$ 762
New Port Richey	$ 23,091,302	5.62%	$ 1,297,731	17,270	$ 1,337
Port Richey	$ 4,904,301	5.10%	$ 250,119	3,251	$ 1,509
St. Leo	$ 525,733	5.22%	$ 27,443	2,282	$ 230
San Antonio	$ 1,783,659	0.80%	$ 14,269	1,403	$ 1,271
Zephyrhills	$ 19,590,175	5.52%	$ 1,081,378	19,666	$ 996
PINELLAS BOCC	**$ 148,460,296**	**5.22%**	**$ 7,749,627**	**274,155**	**$ 542**
Belleair	$ 2,952,531	5.22%	$ 154,122	4,310	$ 685
Belleair Beach	$ 1,698,537	6.00%	$ 101,912	1,633	$ 1,040
Belleair Bluffs	$ 1,222,497	5.22%	$ 63,814	2,312	$ 529

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Belleair Shore	$ 69,166	2.40%	$ 1,660	70	$ 988
Clearwater	$ 89,162,787	5.12%	$ 4,565,135	118,477	$ 753
Dunedin	$ 28,697,929	5.32%	$ 1,526,730	35,598	$ 806
Gulfport	$ 8,531,070	6.12%	$ 522,101	11,757	$ 726
Indian Rocks Beach	$ 4,244,716	2.30%	$ 97,628	3,702	$ 1,147
Indian Shores	$ 921,724	5.22%	$ 48,114	1,206	$ 764
Kenneth City	$ 1,219,822	5.10%	$ 62,211	4,943	$ 247
Largo	$ 58,079,625	5.62%	$ 3,264,075	83,970	$ 692
Madeira Beach	$ 3,976,680	5.72%	$ 227,466	4,006	$ 993
North Redington Beach	$ 833,417	5.12%	$ 42,671	1,472	$ 566
Oldsmar	$ 13,716,123	5.82%	$ 798,278	14,888	$ 921
Pinellas Park	$ 31,471,723	5.40%	$ 1,699,473	54,962	$ 573
Redington Beach	$ 603,590	5.40%	$ 32,594	1,346	$ 448
Redington Shores	$ 1,182,327	5.22%	$ 61,717	2,154	$ 549
Safety Harbor	$ 14,124,261	6.52%	$ 920,902	16,763	$ 843
St. Petersburg	$ 193,021,153	5.62%	$ 10,847,789	266,653	$ 724
St. Pete Beach	$ 6,937,678	5.70%	$ 395,448	8,765	$ 792
Seminole	$ 16,849,255	5.22%	$ 879,531	19,351	$ 871
South Pasadena	$ 2,230,020	5.72%	$ 127,557	5,403	$ 413
Tarpon Springs	$ 17,595,538	5.72%	$ 1,006,465	25,949	$ 678
Treasure Island	$ 3,604,515	5.22%	$ 188,156	6,510	$ 554
POLK BOCC	**$ 200,906,662**	**5.22%**	**$ 10,487,328**	**493,114**	**$ 407**
Auburndale	$ 14,240,259	5.22%	$ 743,342	20,186	$ 705
Bartow	$ 11,115,654	6.12%	$ 680,278	20,357	$ 546
Davenport	$ 10,691,905	3.52%	$ 376,355	13,686	$ 781
Dundee	$ 3,000,048	5.72%	$ 171,603	5,762	$ 521
Eagle Lake	$ 1,992,798	5.42%	$ 108,010	4,902	$ 407
Fort Meade	$ 2,826,328	5.32%	$ 150,361	5,219	$ 542
Frostproof	$ 2,619,599	5.32%	$ 139,363	3,032	$ 864
Haines City	$ 16,981,907	5.22%	$ 886,456	39,514	$ 430
Highland Park	$ -	0.00%	$ -	245	$ -
Hillcrest Heights	$ 71,636	1.10%	$ 788	234	$ 306
Lake Alfred	$ 3,643,579	5.22%	$ 190,195	8,037	$ 453
Lake Hamilton	$ 1,784,712	3.72%	$ 66,391	1,702	$ 1,049
Lake Wales	$ 10,449,561	5.22%	$ 545,467	17,561	$ 595
Lakeland	$ 86,427,888	6.43%	$ 5,557,313	123,763	$ 698
Mulberry	$ 5,011,617	5.22%	$ 261,606	4,483	$ 1,118
Polk City	$ 2,743,300	5.22%	$ 143,200	3,049	$ 900
Winter Haven	$ 40,915,948	6.32%	$ 2,585,888	57,923	$ 706
PUTNAM BOCC	**$ 20,794,048**	**1.84%**	**$ 382,610**	**60,341**	**$ 345**
Crescent City	$ 1,331,512	5.10%	$ 67,907	1,702	$ 782
Interlachen	$ 2,175,948	5.22%	$ 113,585	1,495	$ 1,455
Palatka	$ 7,679,158	5.22%	$ 400,852	10,503	$ 731
Pomona Park	$ 844,979	5.22%	$ 44,108	801	$ 1,055
Welaka	$ 607,998	5.22%	$ 31,737	815	$ 746
ST. JOHNS BOCC	**$ 165,798,372**	**1.84%**	**$ 3,050,690**	**308,668**	**$ 537**
Marineland (part)	$ 12,456	0.40%	$ 50	3	$ 4,152
St. Augustine	$ 32,548,641	5.22%	$ 1,699,039	15,684	$ 2,075
St. Augustine Beach	$ 7,752,827	5.22%	$ 404,698	6,972	$ 1,112
ST. LUCIE BOCC	**$ 40,527,592**	**1.84%**	**$ 745,708**	**80,322**	**$ 505**
Fort Pierce	$ 31,948,862	5.22%	$ 1,667,731	50,708	$ 630
Port St. Lucie	$ 127,998,876	5.22%	$ 6,681,541	253,951	$ 504

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St. Lucie Village	$ 382,000	1.60%	$ 6,112	624	$ 612
SANTA ROSA BOCC	**$ 74,798,863**	**1.58%**	**$ 1,181,822**	**186,356**	**$ 401**
Gulf Breeze	$ 13,593,674	5.22%	$ 709,590	6,335	$ 2,146
Jay	$ 1,026,752	5.10%	$ 52,364	526	$ 1,952
Milton	$ 16,843,780	5.82%	$ 980,308	10,300	$ 1,635
SARASOTA BOCC	**$ 184,686,483**	**4.82%**	**$ 8,901,888**	**294,927**	**$ 626**
Longboat Key (part)	$ 6,105,764	5.22%	$ 318,721	4,791	$ 1,274
North Port	$ 45,375,383	5.72%	$ 2,595,472	92,399	$ 491
Sarasota	$ 70,518,387	5.32%	$ 3,751,578	57,937	$ 1,217
Venice	$ 31,569,086	5.22%	$ 1,647,906	28,967	$ 1,090
SEMINOLE BOCC	**$ 105,294,313**	**5.12%**	**$ 5,391,069**	**232,777**	**$ 452**
Altamonte Springs	$ 32,847,368	5.94%	$ 1,951,134	47,313	$ 694
Casselberry	$ 16,214,319	5.42%	$ 878,816	30,115	$ 538
Lake Mary	$ 24,656,888	5.22%	$ 1,287,090	17,423	$ 1,415
Longwood	$ 18,123,634	5.52%	$ 1,000,425	16,617	$ 1,091
Oviedo	$ 22,853,476	5.56%	$ 1,270,653	41,934	$ 545
Sanford	$ 41,095,263	7.00%	$ 2,876,668	67,873	$ 605
Winter Springs	$ 27,606,586	5.92%	$ 1,634,310	39,131	$ 705
SUMTER BOCC	**$ 66,887,954**	**1.84%**	**$ 1,230,738**	**111,355**	**$ 601**
Bushnell	$ 3,917,195	5.12%	$ 200,560	3,767	$ 1,040
Center Hill	$ 659,637	5.22%	$ 34,433	893	$ 739
Coleman	$ 413,152	5.22%	$ 21,567	627	$ 659
Webster	$ 1,615,924	5.22%	$ 84,351	948	$ 1,705
Wildwood	$ 18,723,935	5.22%	$ 977,389	31,377	$ 597
SUWANNEE BOCC	**$ 12,200,320**	**1.84%**	**$ 224,486**	**36,319**	**$ 336**
Branford	$ 1,652,963	4.60%	$ 76,036	758	$ 2,181
Live Oak	$ 6,107,237	5.60%	$ 342,005	6,965	$ 877
TAYLOR BOCC	**$ 4,950,066**	**1.84%**	**$ 91,081**	**13,270**	**$ 373**
Perry	$ 4,887,490	5.62%	$ 274,677	7,062	$ 692
UNION BOCC	**$ 2,846,340**	**1.84%**	**$ 52,373**	**9,216**	**$ 309**
Lake Butler	$ 2,096,514	5.10%	$ 106,922	1,979	$ 1,059
Raiford	$ 395,681	5.22%	$ 20,655	236	$ 1,677
Worthington Springs	$ 85,248	5.00%	$ 4,262	451	$ 189
VOLUSIA BOCC	**$ 62,059,119**	**0.00%**	**$ -**	**117,335**	**$ 529**
Daytona Beach	$ 55,335,166	5.22%	$ 2,888,496	84,862	$ 652
Daytona Beach Shores	$ 3,934,756	5.22%	$ 205,394	5,251	$ 749
DeBary	$ 13,817,740	5.22%	$ 721,286	24,009	$ 576
DeLand	$ 23,077,885	5.22%	$ 1,204,666	43,185	$ 534
Deltona	$ 41,406,561	6.22%	$ 2,575,488	98,312	$ 421
Edgewater	$ 13,981,899	5.22%	$ 729,855	24,981	$ 560
Flagler Beach (part)	$ 53,872	5.10%	$ 2,747	72	$ 748
Holly Hill	$ 7,105,285	5.22%	$ 370,896	13,008	$ 546
Lake Helen	$ 1,894,548	5.22%	$ 98,895	3,034	$ 624
New Smyrna Beach	$ 26,092,451	5.22%	$ 1,362,026	32,546	$ 802
Oak Hill	$ 1,327,483	5.22%	$ 69,295	2,103	$ 631
Orange City	$ 10,112,789	5.22%	$ 527,888	14,866	$ 680
Ormond Beach	$ 36,751,754	5.22%	$ 1,918,442	45,136	$ 814
Pierson	$ 1,125,406	5.10%	$ 57,396	1,561	$ 721
Ponce Inlet	$ 3,521,103	5.42%	$ 190,844	3,428	$ 1,027
Port Orange	$ 36,830,941	5.22%	$ 1,922,575	65,670	$ 561
South Daytona	$ 7,532,465	5.72%	$ 430,857	13,493	$ 558
WAKULLA BOCC	**$ 17,603,913**	**5.22%**	**$ 918,924**	**34,115**	**$ 516**

Forecast of Taxable Communication Services and Revenues

Local Fiscal Year Ending September 30, 2026

Local Government	Estimated CST Base LFY 2025-26	Current Tax Rate	Revenue Estimate After Adjustments *(See Notes 1-2)*	2024 Revenue Sharing Population	Per Capita Consumption *(See Note 3)*
St. Marks	$ 236,404	5.10%	$ 12,057	331	$ 714
Sopchoppy	$ 383,296	1.20%	$ 4,600	485	$ 790
WALTON BOCC	**$ 47,829,198**	**0.70%**	**$ 334,804**	**69,746**	**$ 686**
DeFuniak Springs	$ 5,757,415	4.82%	$ 277,507	6,185	$ 931
Freeport	$ 4,877,849	1.30%	$ 63,412	9,862	$ 495
Paxton	$ 253,506	2.60%	$ 6,591	580	$ 437
WASHINGTON BOCC	**$ 5,124,660**	**1.84%**	**$ 94,294**	**18,961**	**$ 270**
Caryville	$ 160,307	5.22%	$ 8,368	279	$ 575
Chipley	$ 2,697,243	5.42%	$ 146,191	3,613	$ 747
Ebro	$ 114,913	0.60%	$ 689	256	$ 449
Vernon	$ 580,735	5.40%	$ 31,360	772	$ 752
Wausau	$ 83,917	5.22%	$ 4,380	353	$ 238
STATEWIDE TOTALS	**$ 13,852,126,436**		**$ 648,067,762**	**22,907,149**	**$ 605**

Notes:

1. All adjustments made to payments issued to local governments are subject to s. 202.18(3), F.S. ***The estimates reflect the total after all relevant adjustments.***
2. The estimate does not include administrative fees or revenues generated from county surtax conversion factors.
3. The City of Westlake in Palm Beach County was incorporated as of June 20, 2016. The Village of Indiantown in Martin County was incorporated as of December 31, 2017. The Town of Hastings in St. Johns County was dissolved as of February 28, 2018 and is no longer incorporated. The City of Weeki Wachee in Hernando County was dissolved as of June 9, 2020 and is no longer incorporated.
4. The per capita consumption figures are calculated by dividing each jurisdiction's Estimated Communications Services Tax Base figure by its respective 2024 revenue sharing population figure. The revenue sharing population estimates reflect those certified to the Department of Revenue by the Executive Office of the Governor in June 2025.
5. More detailed CST information can be found on the Department's Florida Communications Services Tax website: https://floridarevenue.com/taxes/taxesfees/Pages/cst.aspx



Key Dates

FLORIDA LEAGUE OF CITIES

2026 - 2027 Key Legislative Dates

November 2026

13	FLC Legislative Policy Committee Meetings (Round 2), Hilton Orlando, 6001 Destination Pkwy, Orlando, FL 32819
17	Florida House and Senate Organization Session
18-21	NLC City Summit, Nashville, TN
30-Dec. 3	Florida House and Senate Interim Committee Meetings

December 2026

3-4	FLC Legislative Conference, Renaissance Orlando at SeaWorld, 6677 Sea Harbor Dr, Orlando, FL 32821 (Round 3 of Legislative Policy Committees will be on Dec. 3)

January 2027

4-7	Florida House and Senate Interim Committee Meetings
11-14	Florida House and Senate Interim Committee Meetings

February 2027

1-4	Florida House and Senate Interim Committee Meetings
8-11	Florida House and Senate Interim Committee Meetings
10-11	FAST Fly-In, Washington, D.C.
15-18	Florida House and Senate Interim Committee Meetings
23	FLC Legislative Session Preview Webinar, 2:00 p.m. ET

March 2027

2	Regular Legislative Session Convenes
8-10	FLC Legislative Action Days, Tallahassee, FL
15-17	NLC Congressional City Conference, Washington, DC

April 2027

30	Last Day of Regular Legislative Session

May 2027

5	FLC Legislative Session Review Webinar, 2:00 p.m. ET

For further details about the mentioned events or legislative information, contact *medenfield@flcities.com*.



Notes



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