

FGFOA Legislative Update 2026

Property Tax Update

- Property Taxes were the dominant issue of the 2026 Legislative Session.
 - Multiple proposals were introduced to reduce or eliminate property taxes on homestead property.
 - The Legislature debated major changes to local government revenue structures without identifying a guaranteed replacement revenue source.

Constitutional Amendment on Property Tax

The proposed amendment does the following:

- Exempts non-school homesteaded ad valorem taxes up to \$250k by January 1, 2028.
- Lowers the existing annual cap on non-homestead property assessments from 10% to 5%.
- Creates a residency requirement for up to five years before one can attain the expanded homestead exemption.
- Limits the remaining ad valorem funds to be used on only core services such as public safety, education, infrastructure, natural resource projects, and related government operations (i.e. constitutional officers).

HB 925 & HB 967

HB 925 – Clerks of Court: Rebalances the distribution of traffic fines by reducing the municipality's share and increasing the amount deposited into the county's fine and forfeiture fund (from 50% and 5.6% to 28.8% and 28.8%).

HB 967 – Electronic Payments Made to Units of Local Governments: requires local governments to accept credit cards, debit cards, or other electronic fund transfers. And mandates local governments to implement a method for accepting payments online.

HB 1329 – Local Government Finances

- Requires a 10% Budget Reduction Exercise.
- Requires quarterly compensation posting for ALL employees.
- Requires a Budget Summary Narrative be posted.
- Requires Budget Calendar to be posted by Jan. 30th annually.
- Effective Date – January 1, 2027.

Bills That Failed

HB 1303/SB 1572 – Department of Financial Services: The bills proposed expanded auditing authority, financial penalties for noncompliance, enhanced whistleblower protections, greater contract transparency requirements, mandatory financial ethics training, annual efficiency reporting, and new requirements for tracking and publicly posting local government contract information.

HB 103/SB 122 – Local Business Taxes: would have eliminated local governments' authority to levy local business taxes by repealing Chapter 205, F.S. Limited exceptions were included for certain gross-receipts-based taxes and county economic development programs, but the legislation would have substantially reduced local revenue authority statewide.

Discussion

- Questions and Answers