



## House Tax Relief Package – HB 7033

The total tax relief provided by this bill is estimated to be:

Recurring tax savings: \$5.486 billion State - \$4.926 billion Local - \$560.7 million  
(all tax relief except \$0.1 million is recurring)

State Impact (FY2025-26): General Revenue – \$4.489 billion Trust Funds - \$10.9 million

### Sales Tax Rate Cut

A permanent sales tax cut from 6.0 percent to 5.25 percent. The sales tax rates that are less than 6.0 percent would also be cut by 0.75 percent:

- *Commercial leases (Business Rent Tax)* – 2.0% to 1.25% **(eliminating this tax is a Florida TaxWatch priority)**
- *Non-residential electricity* - 4.35% to 3.6%
- *Mobile homes* – 3.0% to 2.25%
- *Coin-operated amusement machines*- 4.0% to 3.25%.

This sales tax cut would save taxpayers \$5.4 million annually (including \$540 million in local revenue).

### Sales Tax Exemption

Gold, silver, or platinum bullion with a sales price of less than \$500. Sales of more than \$500 are already exempt. (\$2.2 million recurring)

### Aviation Fuel Tax

The bill repeals the motor fuel tax on aviation fuel, including aviation gasoline, aviation turbine fuels, and kerosene. (\$27.2 million recurring)

## **Communications Services Tax**

- The current moratorium prohibiting increase in local communications services tax rates, which is scheduled to expire January 1, 2026, is extended until January 1, 2031. [A Florida TaxWatch recommendation.](#)
- Local governments would be required to prioritize the use of CST revenue for the timely review, processing, and approval of permit applications for the use of rights of way by providers of communications services.

## **Tourist Development Taxes**

- All TDT revenues could be used by counties for any public purpose, rather than being limited to the currently authorized uses. Counties are responsible for the continued payment of any debt service or existing contracts related to TDT levies.
- An amount equal to the prior year's TDT collections (less revenue needed for debt service or contracts) will be credited against county property tax bills. that, in total, in effect on July 1, 2025. The credit may either be proportionate for all county taxpayers or can be allocated among certain categories of taxpayers.
- All tourist development councils are dissolved December 31, 2025.
- Tourism promotion agencies may continue if affirmatively extended by local governing boards.

## **Special Assessments**

- Public and private preschools would be added to the list of educational institutions that municipalities may exempt from special assessments. A preschool is defined as a licensed child care facility, serving children under five years of age. (\$5.9 million recurring)
- The bill specifies that special assessments on recreational vehicle parks cannot be levied against the portion of a space or campsite that exceeds the square footage of a recreational vehicle. The occupancy rates of recreational vehicle parks would also be required to be considered when levying special assessments on such parks. (\$9.1 million recurring)

## **Property Tax**

- Expands the exemption for land that is owned by a non-profit and used for affordable housing to land leased from a Housing Finance Authority. The exemption would now also apply to improvements used to provide affordable housing on the land, rather than only the land itself. (\$1.1 million recurring)

- The bill repeals the opt out provision for local governments from the affordable housing “missing middle” exemption, making the Live Local Act’s missing middle exemption mandatory for all jurisdictions. Any election to opt out made by a local government on or before July 1, 2025, will continue for the original term of the election but may not be renewed. (indeterminate)
- A new exemption is created for multifamily (70+ units) affordable housing projects on state-owned land. (\$2.3 million recurring)
- Any FAA qualified flight simulation training device, and the equipment and software necessary to operate it, would be considered owned by a governmental unit if the device reverts to the governmental unit upon the expiration of the lease. This would allow the property to qualify for the governmental exemption for tangible personal property. (\$0.9 million recurring)
- Requiring a study of Florida’s property tax by the Office of Economic and Demographic Research by November 1, 2025. It will develop an array of options to eliminate or reduce property taxes on homestead properties.

### **Value Adjustment Boards (VABs)**

- The bill requires the property appraiser to provide a VAB petitioner with the evidence intended to be presented at a VAB hearing at least 15 days prior to the hearing. The petitioner would no longer have to provide a written request to receive the evidence.
- The maximum filing fee for a petition with the VAB would increase from \$15 per parcel to \$50 per parcel.
- Counties would be required to allow petitioners to appear remotely at a VAB hearing.

### **Other Provisions**

**Pari-Mutuel Cardroom Taxes** - The bill reduces the pari-mutuel cardroom tax rate on the monthly gross receipts of cardroom operators from 10% to 8%. (\$4.6 million recurring)

**Natural Gas Fuel Tax** – Would delay the imposition of the scheduled tax on natural gas fuel that is slated to begin at a reduced rate January 1, 2026. The bill changes the imposition of these taxes to January 1, 2030, and removes the reduced first year rate. (\$0.1 million one-time)

**Discretionary Sales Surtaxes** - The bill allows Boards of County Commissioners or School Boards to reduce or repeal any discretionary sales surtax in their jurisdiction with a two-thirds vote of the board, beginning four years after a surtax is levied.

**Corporate Income Tax “Piggyback”** - Florida’s corporate income tax is updated by adopting the federal Internal Revenue Code effective on January 1, 2025, to pick up any changes. This is done every year because federal taxable income is the starting point for calculating Florida taxable income. Occasionally, Florida will “decouple” from specific federal changes. This year, there are no changes that will impact Florida’s tax base.

**Charitable Trusts** - The bill excludes charitable trusts from the definition of corporation. As a result, charitable trusts will not be subject to Florida Corporate Income Tax on their unrelated business taxable income beginning with taxable years beginning on or after January 1, 2026. (\$1.1 million recurring)

**Local Incentives** - The bill preserves enterprise zone boundaries in existence before December 31, 2015, for the purpose of allowing local governments to administer local incentive programs.

**Funding for the Horse Industry** - The bill redirects a \$5 million that now goes to the Florida Thoroughbred Breeders’ Association to Tampa Bay Downs (\$1 Million) and Gulfstream Park Racing Association (\$4 million).