



## *Property Tax Oversight Informational Bulletin*

### **CONSTITUTIONAL AMENDMENT 5 Annual Inflation Adjustment to Homestead Exemption Value**

**PTO 24-20  
November 14, 2024**

Amendment 5 was approved by Florida voters in the November 5, 2024, general election. This amendment changes section 6 of Article VII, and creates a new section in Article XII, of the Florida Constitution to require an annual inflation adjustment to the value of current or future homestead exemptions for levies other than school district levies. This amendment takes effect January 1, 2025, and will begin with the 2025 tax year assessment.

Chapter 2024-261, Laws of Florida, implements Amendment 5 and amends section 196.031(1)(b), Florida Statutes, to require the value of the additional homestead exemption be adjusted annually based on the Consumer Price Index (CPI) as reported by the United States Department of Labor, Bureau of Labor Statistics. The \$25,000 value of the additional exemption will be increased when the inflation adjustment is positive and applied to the assessed value greater than \$50,000.

The adjusted value increase amount will be calculated and provided by the Florida Department of Revenue (Department) annually beginning in the 2025 tax year and will be made available on the Data Portal page at **Florida Dept. of Revenue - Property Tax - Data Portal**.

Section 218.136, Florida Statutes, is created, requiring the Legislature to appropriate funds to offset reductions in ad valorem tax revenue experienced by fiscally constrained counties as a result of the annual positive inflation adjustment. To receive the offset, a qualifying county must apply annually to the Department and provide documentation regarding the county's estimated reduction in ad valorem tax revenue.

#### **Affected Rule and Forms:**

The following rule and forms will be affected based on the law change.

- Rule 12D-16.002, F.A.C., *Index to Forms*
- Form DR-420FC, *Distribution to Fiscally Constrained Counties Application*

Information about the status of the Department's rulemaking will be available at <https://floridarevenue.com/rules>.

#### **Questions:**

This bulletin is provided by the Department of Revenue for your general information. Any questions, please email [DORPTO@floridarevenue.com](mailto:DORPTO@floridarevenue.com).

#### **Reference:**

The full text of Constitutional Amendment 5 (House Joint Resolution 7017) is available at <https://www.flsenate.gov/Session/Bill/2024/7017/BillText/er/PDF>.

The full text of the implementing law (Chapter 2024-261, Laws of Florida), which amends sections 196.031, Florida Statutes, is available at

**<https://www.flsenate.gov/Session/Bill/2024/7019/BillText/er/PDF>**.

**Implementing Date:**

This law is effective on January 1, 2025, and first applies to the 2025 tax roll.