



Property Tax Oversight Informational Bulletin

**Affordable Housing Property Exemption
Nonprofit Land Lease**

PTO 23-09
August 29, 2023

Effective January 1, 2024, Section 8 of Chapter 2023-17, Laws of Florida (L.O.F.), enacts subsection 196.1978(1)(b), Florida Statutes (F.S.), to create an ad valorem property tax exemption for land owned by a nonprofit and leased for predominant use as affordable housing. The new subsection provides that land is exempt from ad valorem taxation if it meets the following requirements:

- The land is owned entirely by a nonprofit entity that is a corporation not for profit, qualified as charitable under s. 501(c)(3) of the Internal Revenue Code and in compliance with Rev. Proc. 96-32, 1996-1 C.B. 717; and,
- The land is leased for a minimum of 99 years for the purpose and predominant use of providing housing to persons or families meeting the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004, F.S.

Land is predominantly used for qualifying purposes if the square footage of the improvements on the land used to provide qualifying housing exceeds 50% of the square footage of all improvements on the land.

Affected Rules and Forms:

The following forms will be affected by the law change:

- Form DR-504AFH, *Ad Valorem Tax Exemption Application and Return for Multifamily Project and Affordable Housing Property*
- Form DR-403EB, *The 20XX Ad Valorem Assessment Rolls Exemption Breakdown of ___ County, Florida*
- Form DR-403V, *The 20XX Revised Recapitulation of the Ad Valorem Assessment Roll Value Data*
- Form DR-489EB, *The 20XX Ad Valorem Assessment Rolls Exemption Breakdown of ___ County, Florida*
- Form DR-489V, *The 20XX Preliminary Recapitulation of the Ad Valorem Assessment Roll Value Data*

Information about the status of the Department's rulemaking is 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.

Reference:

The full text of the law (chapter 2023-17, section 8, L.O.F., SB 102), which amends s. 196.1978, F.S., is available at <http://laws.flrules.org/2023/17>.

Implementing Date:

The law is effective January 1, 2024. The exemption first applies to the 2024 tax roll and is repealed on December 31, 2059.