



### **Overview**

Effective July 1, 2023, Section 9 of Chapter 2023-17, Laws of Florida (L.O.F.), enacts section 196.1979, Florida Statutes (F.S), to create the county and municipal ordinance exemption for affordable housing property. The board of county commissioners or governing body of a municipality may adopt an ordinance to exempt portions of property used to provide affordable housing that meet the requirements of s. 196.1979, F.S.

### **Exemption Requirements and Amounts**

Portions of property used to provide affordable housing must:

- Be used to house persons or families whose annual household income:
  - Is greater than 30 percent but not more than 60 percent of the median annual adjusted gross income for households within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides. The exemption amount that the ordinance may grant is up to 75% of the assessed value of each residential unit used to provide affordable housing if less than 100% of the multifamily project's residential units are used to provide affordable housing meeting the requirements of s. 196.1979, F.S., **or**;
  - Does not exceed 30 percent of the median annual adjusted gross income for households within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides. The exemption amount that the ordinance may grant is up to 100% of the assessed value if 100% of the multifamily project's residential units are used to provide affordable housing meeting the requirements of s. 196.1979, F.S.
- Be within a multifamily project containing 50 or more residential units and 20% of those units must be used to provide affordable housing meeting the requirements of s. 196.1979, F.S.
- Rent for no more than the amount specified by the most recent multifamily rental programs income and rent limit chart posted by the Florida Housing Finance Corporation and derived from the Multifamily Tax Subsidy Project Income Limits published by the United States Department of Housing and Urban Development, or rent for no more than 90 percent of the fair market value rent as determined by the rental market study meeting the requirements of s. 196.1979(4), F.S., whichever is less.
- Not have been cited for code violation on three or more occasions in the past 24 months before applying and must not have any cited code violations that haven't been properly remedied before submission and must not have any unpaid fines or charges related to the

code violations. However, payment of outstanding fines or charges before a final determination will not act to exclude the property from qualifying.

### **Ordinance Requirements**

A county's board of county commissioners or governing body of a municipality may adopt an ordinance that exempts property used to provide affordable housing. The ordinance must expire before the fourth January 1 after its adoption unless the local entity adopts a new ordinance to renew the exemption. A copy of the ordinance must be delivered to the Department of Revenue and the property appraiser within 10 days after its adoption. If it expires or is repealed, the local entity must notify the Department and the property appraiser within 10 days.

The ordinance granting the exemption authorized by s. 196.1979, F.S., must:

- Be adopted under the procedures for adoption of a nonemergency ordinance in accordance with chapters 125 or 166, F.S., as applicable.
- Designate the local entity supervised by either the board of county commissioners or governing body of a municipality, to develop, receive, and review certification applications and determination of eligibility notices.
- Require the property owner to apply for certification with the local entity. The application must be on the local entity's form and includes the information described in s.196.1979(3)(c)1-3, F.S.
- Require the local entity to verify and certify the property meets the ordinance requirements and qualifies for the exemption, and to forward the certification to the property owner and property appraiser. If the local entity denies the exemption, it must notify the applicant and include reasons for the denial.
- Require the eligible unit to meet the eligibility criteria of s. 196.1979(1)(a), F.S.
- Require the property owner to submit an application for exemption, on a form prescribed by the Department of Revenue, accompanied by the certification of qualified property, to the property appraiser no later than March 1.
- Specify the exemption applies to taxes levied by the unit of government granting the exemption and may not receive an exemption after the ordinance expires.
- Identify the percentage limitations described in s.196.1979(1)(b), F.S., of the assessed value subject to the exemption.
- Identify whether the exemption applies to persons or families meeting the income limits of s. 196.1979(1)(a)1.a., F.S., persons or families meeting the income limits of s. 196.1979(1)(a)1.b., F.S., or both.
- Require the deadline to submit the application for certification be published on the local entity's website.
- Require the local entity to publish on its website a list of certified affordable housing properties for the purpose of facilitating access to affordable housing.

**Affected Rules and Forms:**

The following forms will be affected based on 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](mailto:DORPTO@floridarevenue.com).

**Reference:**

The full text of the law (chapter 2023-17, section 9, Laws of Florida, SB 102), which creates s. 196.1979, F.S., is available at <http://laws.flrules.org/2023/17>.

**Implementing Date:**

The law is effective July 1, 2023, and first applies to the 2024 tax roll.