A Florida Homeowner's Guide: Millage

Who Sets Millage Rates?

Taxing authorities. Taxing authorities are governed by the Florida Constitution and Statutes. They include county governments, school boards, water management districts, special districts and municipalities within a county. Taxing authorities adopt a budget and levy millage rates to fund that budget.

When are Millage Rates Set?

Taxing authorities typically begin developing their budget in June. The official start is July 1 when they receive the total taxable value for their jurisdiction from the property appraiser. **Tentative millage rates** for taxing authorities other than school districts are set before August 5. **Final millage rates** for those taxing authorities are adopted in September. School districts follow an earlier schedule with their final millage rate being adopted in July.

What is Millage?

Millage is a tax rate defined as the dollars assessed for each $1,000 of value; one mill is one dollar per $1,000 of assessed value. Mathematically the equation is: **Taxable value ÷ 1,000 × millage rate = Property Tax Owed**. Examples of how millage rates affect a homeowner's tax bill are provided on the next page.

Are there limits to how much millage rates can increase each year?

Yes. Under the Florida Constitution and Statute, taxing authorities have approval requirements that escalate depending on how much the millage rate is and the amount of increase over the prior year's millage rate. Details on the approval requirements can be found on our Frequently Asked Questions webpage. Once a taxing authority sets the tentative millage rate, they cannot adopt a higher millage rate without restarting the process, but they can adopt a lower millage rate. The vote to adopt the final budget and millage rate is at a duly advertised meeting in which the public may participate. In addition to the higher voting thresholds that are state-wide requirements, some Florida counties have passed local ordinances that limit millage rate increases.

Can a taxing authority adopt a lower millage rate?

Yes. There are no state-wide restrictions related to millage rate decreases; a millage rate reduction can be approved with a simple majority vote.

If a millage rate is lowered will my property tax bill decrease?

Not necessarily. There are several factors which can cause your tax bill to increase even if a taxing authority decreases its millage rate. If your taxable value has increased, it may offset any millage rate decrease. If other taxing authorities raise their millage rates, your overall tax bill may increase. Deferred value, as a result of your homestead exemption, can increase your taxable value even during periods of slow growth or market downturns.

How do I know what will happen with my property taxes?

Florida's Constitution and Statutes ensure taxpayers are informed about the annual property tax process. This is primarily done through the ***Notice of Proposed Property Taxes*** (also called the ***Truth In Millage (TRIM) Notice***). Using information from the taxing authorities, property appraisers prepare the *TRIM Notice* and mail it to property owners. This notice includes the:

- Property appraiser's January 1 taxable value, classification, exemptions, assessment limitation/cap
- Proposed budget and millage rate to fund the budget for each taxing authority and the amount of property taxes the property owner would owe if adopted by the taxing authority
- Rolled-back millage rate, which is generally the amount of property taxes the property owner would owe if there were no change to the taxing authority's budget
- Non-ad valorem assessments (if applicable)
- Meeting date, time, and location for each taxing authority's public hearing

Taxing authorities are also required to place advertisements notifying the public of scheduled meetings and millage rate information.

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At what point can taxpayers get involved in millage determinations?

Taxpayers can take part in **public hearings** that take place in September when taxing authorities present and discuss tentative budgets and millage. Initial public hearing dates, times, and locations are provided on the *TRIM Notice* that each county property appraiser sends before August 25. Final public hearing dates, times, and locations are advertised to the public by each taxing authority.

What is the role of my county's property appraiser?

The property appraiser determines the taxable value of each property in the county and provides the total taxable value to each taxing authority. Property appraisers approve and maintain records for exemptions and property classification. They are also responsible for preparing and mailing the *TRIM Notice*. **Property appraisers do not set millage rates**.

How does millage affect my tax bill?

Using the equation of: **Taxable value** ÷ **1,000** × **millage rate** = **Property Tax Owed**, the following examples show how millage is applied to a property tax bill.

Basic example: The owner of a property that has a taxable value of $100,000 and is subject to a millage rate of 5.2 would owe $520 in property tax.

$100,000 *taxable value* ÷ 1,000 = 100 *mills*
100 × 5.2 *millage rate* = **$520 *property tax***

Most residential properties in Florida are subject to millage rates from multiple taxing authorities.

Multiple millage rate example: The owner of a property that has a taxable value of $100,000 and is subject to a millage rate of 5.2 for county services, 1.7 for city services, and .05 for their water district would owe $695 in property tax.

$100,000 *taxable value* ÷ 1,000 = 100 *mills*
100 × 5.2 *county rate* = $520
100 × 1.7 *city rate* = $170
100 × .05 *water district rate* = $5
$520 + $170 + $5 = **$695 *property tax***

Most residential properties in Florida receive an additional $25,000 homestead exemption which does not apply to property taxes for school districts.

Multiple millage rate example with school district: The owner of a property that has a non-school (NS) taxable value of $100,000 and school taxable value of $125,000 and is subject to a millage rate of 5.2 for county services, 1.7 for city services, .05 for their water district, and 2.2 for their school district would owe $970 in property tax.

$100,000 *NS taxable value* ÷ 1,000 = 100 *mills*
100 × 5.2 *county rate* = $520
100 × 1.7 *city rate* = $170
100 × .05 *water district rate* = $5
$125,000 *school taxable value* ÷ 1,000 = 125 *mills*
125 × 2.2 *school district rate* = $275
$520 + $170 + $5 + $275 = **$970 *property tax***

How do exemptions help limit increases in my property tax bill?

The 1995 "Save our Homes" amendment to the Florida Constitution ensures that the assessed value of property with a homestead exemption **cannot increase more than 3%** or the percent change in the Consumer Price Index (CPI), whichever is less. In the ten years from 2013 to 2022, the CPI change ranged from 0.7% to 7.0%, with 9 years falling below the 3% value limit. In addition to the "Save our Homes" provisions, Florida homeowners may qualify for other exemptions that can lower their property taxes. Information on exemptions can be found on our exemptions webpage.

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