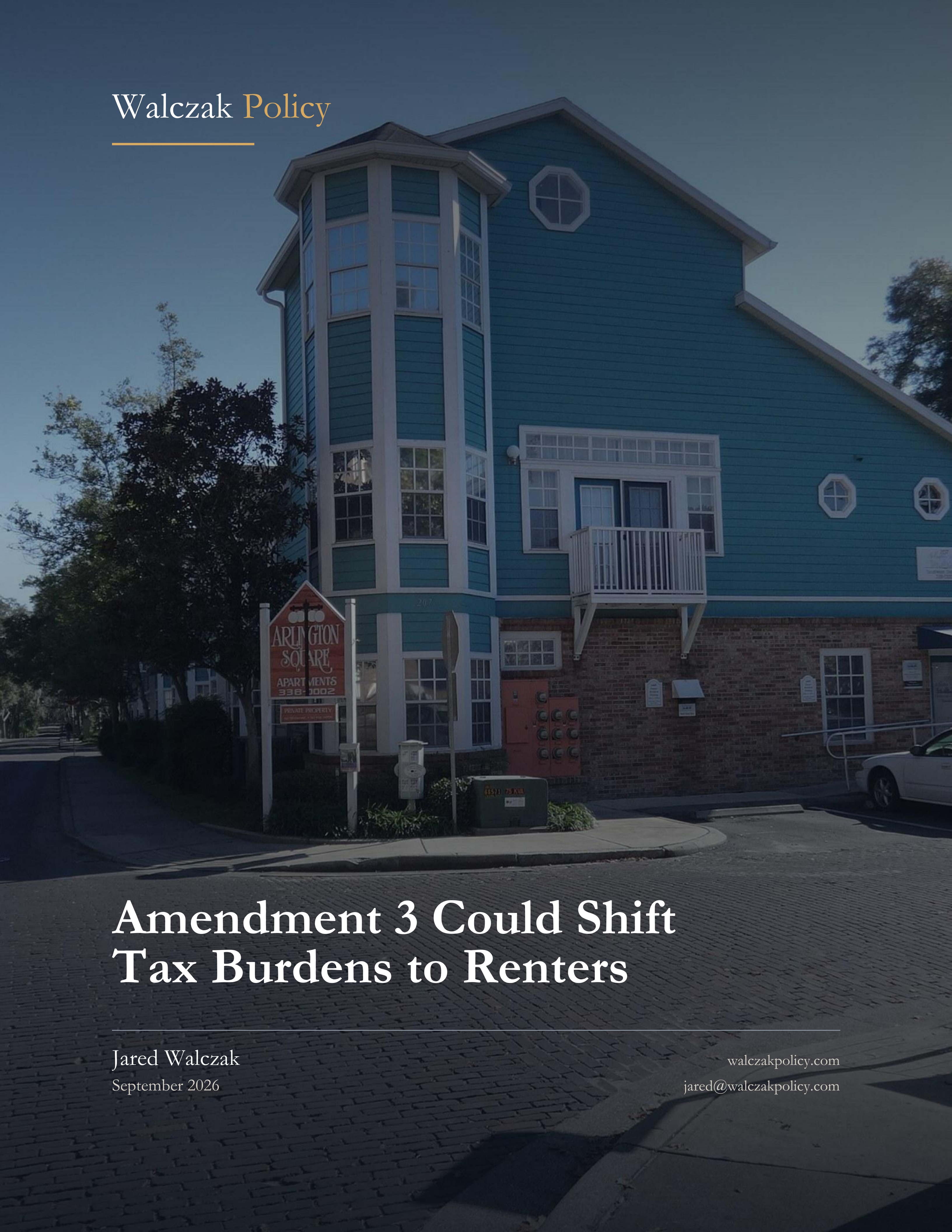

Walczak Policy

Amendment 3 Could Shift Tax Burdens to Renters

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Introduction

Florida Amendment 3 would increase the state's homestead exemption at the cost of more than $8.7 billion in FY 2029 and $11.8 billion per year by FY 2032, but it would not guarantee Floridians a net tax reduction. If the amendment passed, local governments would have three options: (1) reducing spending, (2) raising property tax rates on all property that remains in the base, and (3) raising other taxes and fees.

Many jurisdictions are likely to rely on a mix of all three options, but to the extent localities respond by raising property tax rates, they will shift the tax burden onto other taxpayers, including renters. If local tax authorities adopt revenue-neutral rate increases (limited by rate caps) to offset the new homestead exemptions, we estimate that once the higher exemption is fully in effect in tax year 2028, total property tax burdens would rise 14.1 percent on residential rental properties (a 22.6 percent increase in non-school property tax liability). Taxes would increase by $406 on the average Florida apartment unit (14.8 percent), $1,081 on rental homes, and $1,196 on owner-occupied properties that do not qualify for a homestead exemption. For a typical 200-unit apartment community, this translates into approximately $81,000 in additional property taxes each year.

By tax year 2031 (collected in FY 2032), fully backfilling Amendment 3 losses would raise taxes on rental property by 14.9 percent, translating to an additional $544 for the average apartment unit, with the burden on single-family rental homes rising to $1,471 The increased burden on a 200-unit apartment community would be about $109,000. Although renters do not pay property taxes directly, they bear the majority of this burden through higher rents.

Some jurisdictions are already responding in anticipation of Amendment 3, and many more are beginning to consider their options. St. Petersburg officials have floated a fire assessment fee to defray some of the losses from Amendment 3, and Tampa's mayor has warned of additional fees for services. Apopka city commissioners approved a 10 percent increase above the rolled-back rate this summer.[1]

To the extent that Florida localities cut spending in response to Amendment 3, renters and others ineligible for homestead exemptions will experience service reductions without obtaining any tax relief. When governments respond by raising property tax rates, rental and other non-homestead properties pay more. This paper analyzes the effects of Amendment 3, focusing on tax shifts to other residential properties.

[1] Mark Parker, "St. Pete Explores Whether New Fire Fees Could Offset Property Tax Cuts Proposed in November Ballot," CL Tampa Bay, Aug 3, 2026, https://www.cltampa.com/news/st-pete-explores-whether-new-fire-fees-could-offset-property-tax-cuts-proposed-in-november-ballot/; Andy Paden, "Tampa Mayor Warns Residents Could Face New Fees if Amendment 3 Passes," Tampa Bay News 10, Sept. 10, 2026, https://www.wtsp.com/article/news/local/hillsboroughcounty/amendment-3-tampa-mayor-warns-residents-new-fees/67-6b9ae931-f5b4-4cd5-96f6-98402906f6f8; Massiel Leyva, "Apopka City Leaders Approve 10% Millage Rate Increase," Spectrum News 13, July 31, 2026, https://mynews13.com/fl/orlando/news/2026/07/31/apopka-city-leaders-approve-tentative-millage-rate-increase.

What Amendment 3 Does

Amendment 3, which requires a 60 percent vote for ratification, would increase the homestead exemption for non-school property taxes, with a smaller initial homestead exemption increase for newer residents. It also reduces the cap on assessed value increases for non-homestead properties and imposes new limits on how property tax revenue can be spent.[2]

Under current law, the first $25,000 of homestead property value is exempt from property tax at all levels of government, including school district taxes. A second exemption begins at $50,000 and provides a further (inflation-adjusted) $25,000 exemption from all taxes *except* school district taxes.[3] Due to inflation adjustments, the second exemption is actually $26,411 in 2026, meaning that homeowners receive a $25,000 exemption against their school property taxes and a $51,411 exemption against all other property taxes. Additionally, the increase in taxable assessed value of homestead-exempt properties is capped at the lesser of inflation or 3 percent each year under Florida's "Save Our Homes" assessment limit. These limits reset upon sale (with portability of benefits for most homeowners) and do not apply to new improvements. For non-homestead properties, the assessment limit is 10 percent per year.[4]

If Amendment 3 passes, the school district homestead exemption would remain $25,000, but the exemption for all other taxes would rise from its current level ($51,411 in 2026) to $150,000 in 2027 and $250,000 in 2028, after which it would be indexed for inflation. The benefit of the higher homestead exemption is phased in for new residents, who receive the full benefit only after residing in the state for 5 years. The Amendment also charges the legislature with implementing laws to permit local governing bodies to raise exemptions above these thresholds if they choose.

The homestead exemption is, by definition, available only for owner-occupied real property, meaning it is unavailable for rental properties, second homes, or commercial and industrial property, all of which would bear a greater share of the resulting total tax burden. To the extent that county and municipal governments attempt to backfill the revenue reduction with higher tax rates, this will yield higher effective rates for those properties and lower effective rates for most owner-occupied homes.

In Florida, 31.9 percent of households rent rather than own. Younger households are particularly likely to rent, with 64.6 percent of households with a householder under the age of 35 renting rather than owning, and 53.3 percent of all households with a householder under the age of 45.[5] These households would not receive the benefit of the higher homestead exemption, nor would businesses or owners of homes that are not a primary residence.

2 Florida Division of Elections, "Increased Homestead Exemption; Lower Cap on Increases in Non-Homestead Property Assessments," Constitutional Initiatives, https://constitutionalinitiatives.dos.fl.gov/Home/InitDetail?account=10&seqnum=110.

3 Fla. Stat. § 196.031.

4 Fla. Stat. §§ 193.155–193.1555.

5 U.S. Census Bureau, "Demographic Characteristics for Occupied Housing Units," American Community Survey, ACS 1-Year Estimates, Tables S2502 and B25007.

Non-homestead properties, including rental properties, would benefit from the reduction in their assessment limit from 10 to 5 percent. Nevertheless, the benefit of this lower cap is quite modest compared to the substantial benefit of higher homestead exemptions.

Commercial property values, including multi-unit apartment communities, do not increase in value at the same rate as residential property. According to a Tax Policy Center analysis of 47 cities, between 2019 and 2022 (when assessed values were rising particularly rapidly across the country), the median increase in residential was 24 percent, while the median commercial assessed value increase was 15 percent. Even in a period of unusually rapid assessed value growth, the annualized increase was below 5 percent, and thus would not have benefited from the cap, whether at 5 or 10 percent. On a longer horizon, between 2013 and 2022, the median increase in commercial assessed value was 54 percent (an average yearly increase of 4.5 percent) while residential property values increased by 74 percent (a 5.6 percent average annual increase).[6]

Even if commercial property values increased at the same rate as residential properties, the difference between a 5 percent cap and a cap that is the lesser of inflation or 3 percent is significant and compounds over time. Imagine that owner-occupied residential and commercial property both increased in value by 5.5 percent each year between 2013 and 2022. With no cap, the nominal valuation increase would be 70.8 percent. Under the residential cap, that increase would be limited to 21.4 percent. Under a 5 percent cap, the apartment community would have experienced a valuation increase of 62.9 percent.

Finally, the Amendment includes an ambiguous restriction on how property tax revenue can be spent. As initially drafted, the measure constrained property taxes to being used for (in the ballot title's summation) "public safety, education and schools, infrastructure, natural resources, bond debt service, retirement benefits for employees, and operations and administration." In the version that appears on the ballot, however, a provision additionally authorizes "the expenditures approved by such county officers or county or municipal governing bodies," which appears to function as a virtual catch-all for any other expenditure.

The Cost of Amendment 3

Florida budgets in fiscal years, even though property taxes are assessed on a calendar-year basis. The \$150,000 homestead exemption would be available for 2027 taxable values, due between November 2027 and the end of March 2028, and booked to FY 2028 revenues. The \$250,000 exemption, implemented in 2028, is responsible for FY 2029 revenues. Amendment 3's provisions would cost an

[6] Thomas Brosy, Richard Auxier, Nikhita Airi, Gabriella Garriga, and Muskan Jha, "The Future of Commercial Real Estate and City Budgets," Tax Policy Center, May 1, 2024, 9-10, https://taxpolicycenter.org/sites/default/files/publication/165853/the-future-of-commercial-real-estate_2024-05-01.pdf.

estimated $4.93 billion in the first year, $8.71 billion when fully implemented by FY 2029, and a projected $11.83 billion per year by FY 2032.[7]

These estimates are from Florida's Revenue Estimating Committee (REC), but they closely correspond with an earlier Florida House of Representatives nonpartisan staff analysis. The House analysis estimated costs of $4.95 billion in FY 2028, $8.78 billion in FY 2029, and $11.86 billion in FY 2032, which are virtually identical.[8]

We have adopted the REC projections for this analysis. Amendment 3 would reduce non-school property tax collections by an estimated 20.5 percent in FY 2029, increasing to 23.0 percent by FY 2032. Counties, municipalities, and special districts must decide how to respond to these reductions, using the tools available to them: spending reductions, property tax rate increases, or increases to other taxes and fees. Using individual parcel-level property records, this paper calculates the tax shift to rental property in each county and in select municipalities under a revenue-neutral increase in property tax rates.

Tax Burdens on Renters

Renters do not bear the legal incidence of property taxes, but economic studies demonstrate that renters bear a substantial share of the economic incidence, meaning that much of the cost of property taxes on rental housing is included in tenants' lease payments. Historically, most analyses have concluded that renters bear at least 60 percent of the cost of property taxes imposed on rental property,[9] and that this share may approach 100 percent over time.

A 2008 study of fourteen mostly Midwestern cities found that property tax increases were almost completely passed along in the form of higher rent, and that a 0.34 percentage-point increase in the property tax rate (a one-standard-deviation increase) raised annual rents by $402 to $451.[10]

California provides an interesting case study. Like Florida, California imposes assessment limits, with California's Proposition 13 long predating Florida's Save Our Homes. In California, the assessment limit applies equally to all classes of property, with taxable value resetting to market value upon sale or transfer. A 2025 study examined Berkeley, California, apartment communities that changed

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[7] Florida Revenue Estimating Conference, "Homestead Exemption Increases; Assessment Increase Limitation 10% to 5%," Revenue Impact Analysis, July 10, 2026, https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2026F/_pdf/impact0710.pdf.

[8] Florida House of Representatives, State Affairs Committee, "Final Bill Analysis: CS/HJR 1F — Save Our Homes from Excessive Property Taxes," June 16, 2026, https://www.flsenate.gov/Session/Bill/2026F/1F/Analyses/h0001z.SAC.PDF.

[9] See, e.g., Robert J. Carroll and John Yinger, "Is the Property Tax a Benefit Tax? The Case of Rental Housing," *National Tax Journal* 47:2 (June 1994). Carroll and Yinger's methodology found only a small effect in Boston, but they survey the broader literature and note general findings that 60 percent or more is borne by renters. More recent studies suggest even higher pass-through.

[10] Leah J. Tsoodle and Tracy M. Turner, "Property Taxes and Residential Rents," *Real Estate Economics* 36:1 (2008): 63–80.

ownership, resulting in large tax increases on those buildings, and found that 50-89 percent of the higher property taxes were passed along to renters.[11]

This is particularly notable because those landlords were competing for tenants with other properties that did *not* experience a similar tax increase. That competition should, in theory, shift the equilibrium toward landlords bearing more of the economic burden through reduced profitability. The fact that the majority of the tax increase was still passed along to renters strongly suggests that, when all rental properties experience a similar tax increase, renters will ultimately pay most, if not all, of the higher tax cost.

Internationally, a recent German study provides further evidence of the pass-through. It found that when property tax rates increased, only about one-third of the higher tax burden was passed through across the first two years, but full pass-through (almost 100 percent) was achieved by the third year.[12] This makes sense, as many lease terms extend more than one year and may have commenced shortly before a tax increase. Increases may also be phased in over a few years. If Amendment 3 passes, the pass-through may not be instantaneous, but renters have good reason to believe they will ultimately bear most of the cost of any tax shift to rental properties.

Tax Shifting to Rental Properties

Expanding homestead exemptions does not guarantee overall property tax reductions, because most counties and municipalities could respond by raising millages (rates) on the diminished base of taxable property. This would result in greater tax burdens on non-homestead property, including apartments and single-family rentals. While Florida has multiple laws designed to limit property tax increases, they are largely irrelevant to local efforts to restore lost revenue. If anything, they could make recovery through higher property tax rates *more* likely.

In addition to the Save Our Homes limit on assessed value growth, Florida law also imposes a levy limit that rolls back the millage rate to the amount that would generate the same revenue as the prior year, excluding new construction.[13] This is designed to prevent an overall increase in property tax collections due simply to rising property values, and it can be overridden by a supermajority vote of the local governing body. If Amendment 3 passes, however, jurisdictions would collect *less* from existing property, so there would be no rollback, and this law would not stand in the way of rate increases designed to restore revenue-neutral tax collections.

Counties, municipalities, and school districts are also limited to a maximum of 10 mills each, excluding debt service, unless a temporarily higher rate is approved by a majority of voters. Special districts have

[11] Sarah Baker, "Property Tax Pass-Through to Renters: A Quasi-Experimental Approach," Federal Reserve Bank of Philadelphia Working Paper No. 25-41, Dec. 2025, https://www.philadelphiafed.org/-/media/frbp/assets/working-papers/2025/wp25-41.pdf.

[12] Max Löffler and Sebastian Siegloch, "Welfare Effects of Property Taxation," IZA Discussion Paper No. 14195, Mar. 2021, https://docs.iza.org/dp14195.pdf.

[13] Fla. Stat. § 200.065(5)

their own locally established rate limits, and consolidated city-county governments may levy up to 20 mills.[14] Most jurisdictions are well below these caps and could increase rates sufficiently to offset most or all the losses from Amendment 3. A few jurisdictions, however, would be constrained by those caps and unable to make full recovery. We estimate that statewide, rate increases could recover 96.1 percent of the cost of the $250,000 homestead exemptions, leaving $341 million unrecovered.

Crucially, while the levy limit would not initially constrain local governments, it *would* constrain revenue-offsetting rate increases in future years if local governments initially accepted the reduced property tax revenues. These lower collections would form the new initial tax base. Any subsequent increase would require a two-thirds vote of the local governing body for increases of up to 10 percent, and unanimity for increases above that (or a 3/4ths vote for boards with 9 or more members).[15] This could incentivize some local governing bodies to raise rates immediately in response to Amendment 3, before offsets require a higher vote threshold.

If localities backfilled Amendment 3 revenue losses with property tax rate increases, homestead property taxes would decline by $6.45 billion on net (almost $8 billion in savings from the homestead exemption, partially offset by increased rates on remaining value above the exemption), with burdens shifted onto all other classes of property. Taxes on non-homestead residential property would increase by an estimated $3.47 billion. Another $2.65 billion would be shifted to commercial, industrial, and business personal property (such as machinery and equipment). About $0.34 billion would be unrecoverable due to property tax rate caps, leaving local governments short of revenue neutrality.

Table 1. Backfilling Amendment 3 Shifts Property Tax Burdens

Change in property tax liability by class under a revenue-neutral millage increase (2028)

Property Classification	Direct Benefit	Rate Offset	Net Tax Change
Homestead Residential	$7.99B	$1.54B	−$6.45B
Non-Homestead Residential	$0.35B	$3.82B	+$3.47B
Other Property	$0.37B	$3.02B	+$2.65B
Total	$8.71B	$8.37B	−$0.34B

Note: Direct Benefit is the reduction in liability from the higher homestead exemption and the lower non-homestead assessment limit before any rate response. Rate Offset is the increased liability from revenue-neutral millage increases. The net tax change is negative because 10-mill county and municipal rate limits prevent the recovery of $341 million.

Source: Author's calculations based on Florida Department of Revenue 2025 final NAL assessment rolls and Florida Revenue Estimating Conference forecasts. See methodology for details.

Statewide, a tax shift would increase the tax burden on the average apartment unit by $406 in 2028 (14.8 percent above baseline) and by $554 in 2031 (15.7 percent above baseline). Single-family rental homes would experience a $1,081 (14.6 percent) tax increase in 2028, rising to $1,471 (15.4 percent) by 2031. In aggregate, this represents a $1.61 billion shift to apartments and single-family properties under long-term leases for 2028 property tax bills and a $2.19 billion shift in 2031 tax liability. The

14 Fla. Stat. §§ 200.065–200.181.

15 Fla. Stat. § 200.065(5).

remainder of the non-homestead residential tax shift falls on second homes and short-term rentals, including vacation rentals.

Table 2. Amendment 3 Responses Could Raise Taxes on Rental and Other Non-Homestead Residential Property

Estimated increase in property tax liability under a revenue-neutral millage increase, by residential category

	2028 Increase			2031 Increase		
Category	**Total**	**Per Unit**	**Percent**	**Total**	**Per Unit**	**Percent**
Rental Apartments	$0.71B	$406	14.8%	$0.97B	$554	15.7%
Single-Family Rental Homes	$0.90B	$1,081	14.6%	$1.22B	$1,471	15.4%
Non-Homestead Owner-Occupied	$0.51B	$1,196	16.1%	$0.70B	$1,619	16.9%
Other Non-Homestead Residential	$1.35B	$710	12.9%	$1.83B	$965	13.6%
Total Non-Homestead Residential	$3.47B	$707	14.1%	$4.71B	$961	14.9%

Note: Percentages express the increase as a share of total property liability, including school district taxes, which are unaffected by Amendment 3. Per-unit figures are averages per rental unit, home, or parcel.

Source: Author's calculations based on Florida Department of Revenue 2025 final NAL assessment rolls, Florida Revenue Estimating Conference forecasts, and U.S. Census Bureau American Community Survey estimates.

The following table provides estimates of additional tax costs for apartment units, single-family rental homes, and all residential rental units (short- and long-term) based on monthly rent, showing the anticipated effects at a range of leasing costs.

Table 3. Estimated Annual Property Tax Increase on Rental Housing, by Monthly Rent

Additional property tax liability under a revenue-neutral millage increase, by rent level

	Apartments		Single-Family Rentals		All Residential Rentals	
Rent	**2028**	**2031**	**2028**	**2031**	**2028**	**2031**
$800	$200	$272	$494	$672	$299	$408
$1,200	$300	$409	$741	$1,008	$449	$611
$1,600	$400	$545	$988	$1,344	$599	$815
$2,000	$500	$681	$1,235	$1,680	$749	$1,019
$2,400	$600	$817	$1,482	$2,017	$898	$1,223
$2,800	$700	$954	$1,729	$2,353	$1,048	$1,427
$3,200	$800	$1,090	$1,976	$2,689	$1,198	$1,630
$3,600	$900	$1,226	$2,223	$3,025	$1,347	$1,834
$4,000	$1,000	$1,362	$2,471	$3,361	$1,497	$2,038

Note: Monthly rent is for 2028. Calculations for 2031 assume a rent increase of about 2.38 percent before any adjustments for higher taxes, such that, e.g., $800 in 2028 rent is $819 in 2031. Source: Author's calculations based on Florida Department of Revenue 2025 final NAL assessment rolls and U.S. Census Bureau American Community Survey five-year estimates (contract-to-gross-rent ratios).

The extent of possible tax shifting also varies by jurisdiction. Taxing authorities with larger residential tax bases lose a greater share of tax revenue under Amendment 3, and that is particularly true for areas with lower taxable values, where a greater share of all value would be taken off the tax rolls. Because this means that lower-value homes contribute little or nothing to the tax base, one potential negative consequence of a $250,000 homestead exemption is greater governmental reticence to approve lower-cost housing development (whether affordable or market-rate).

Because of Save Our Homes, moreover, an exemption for the first $250,000 of taxable value is worth far more than $250,000 for many properties. A typical Florida home that has been owned since 1994 (the assessment limit's base year) could have a just (market) value of approximately $640,000 in 2028 while only having $250,000 in assessed value.[16] Amendment 3 would eliminate its non-school property tax bill. Jurisdictions with a greater proportion of long-time property owners would fare worse under Amendment 3, and revenue-neutral rate increases would be particularly burdensome to non-homestead property in those counties and municipalities. The owner of a high-end luxury home could pay little to no non-school property taxes under this proposal, while an apartment community providing rent-restricted housing serving low-income Floridians would likely see an increase in property taxes, even with the 5 percent cap in place.

In Tampa, a 200-unit apartment community would face almost $152,000 in increased property tax liability. A typical Orlando apartment community's property tax bill would increase by $72,000, and one in Leon County would face $67,000 in additional tax liability. The shift will only grow with each passing year, particularly as it interacts with assessment limits for homestead properties.

The consequence is not just higher costs for renters but also reduced housing availability. Renters bear most of the additional burden, but landlords bear a residual share as well. In other words, profits are lower even as tenants' costs rise. This makes it less attractive to build new apartments and other rental housing, further constricting housing availability and making the remaining stock less affordable.[17]

The problem could be particularly acute for owners of income-restricted units: unable to pass along increases, the higher tax costs reduce their capacity to adequately maintain the properties and make capital improvements. This would also discourage the construction of new income-restricted units, since it reduces the anticipated investment return, and the amount of shifted property tax liability would continue to grow even as capacity to raise rent is restricted.

Moreover, if Amendment 3 is adopted, all property development could slow, at least initially, given uncertainty about the prospects of tax shifts in each jurisdiction. Builders cannot predict which jurisdictions will raise property taxes or increase fees, or which may cut services that are important to

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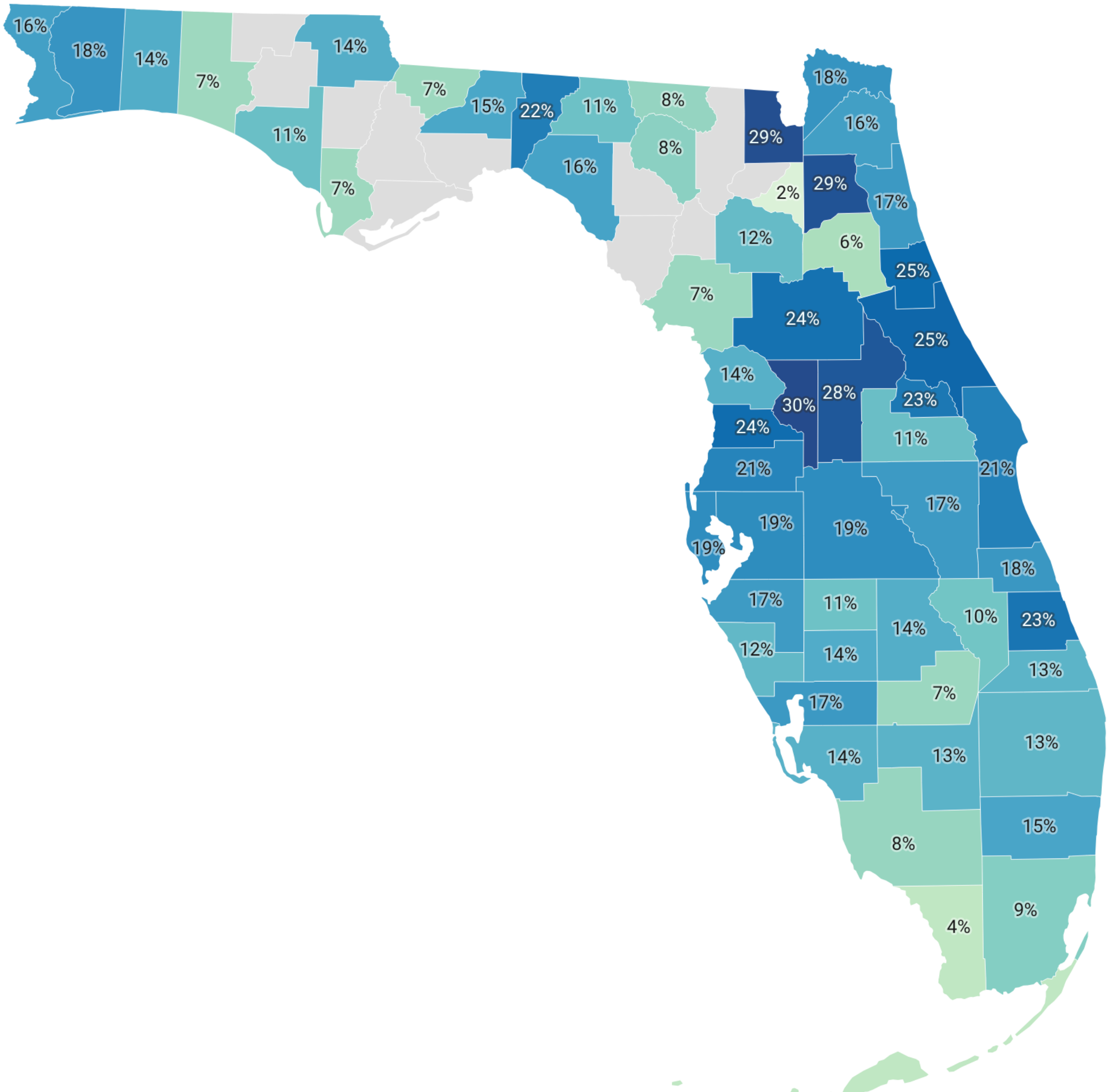
[16] Author's calculations, assuming continuous homestead treatment from the 1994 Save Our Homes base year. Assessed value grows at the annual SOH cap (lesser of 3 percent or CPI), per Florida Department of Revenue, "Save Our Homes Assessment Limitation," Jan. 2026, https://floridarevenue.com/property/Documents/SaveOurHomes.pdf. Market value growth based on FHFA All-Transactions House Price Index for Florida, https://fred.stlouisfed.org/series/FLSTHPI, extended to 2028 with REC just-value forecasts, with 2027–28 caps set at 3 percent.

[17] See Emily Horton, Cameron LaPoint, Byron F. Lutz, Nathan Seegert, and Jared Walczak, "Property Tax Policy and Housing Affordability," *National Tax Journal* 77:4 (2024), available https://ssrn.com/abstract=4901553.

the sale or rental prices of their construction projects. This uncertainty could delay and ultimately reduce new construction.

Property Tax Increases on Apartments Under Revenue-Neutral Rate Changes

Estimated increase in property tax on the average apartment unit in 2028 under a revenue-neutral millage increase, as a share of total (school and non-school) property tax liability, by county



Note: Increases are expressed as a percentage of total property tax liability, including unchanged school property tax levies. Counties shown without a value lack sufficient non-suppressed apartment data to produce an estimate.

Source: Author's calculations based on Florida Department of Revenue 2025 final NAL assessment rolls and Florida Revenue Estimating Conference forecasts. • Created with Datawrapper

The tables below show average tax increases for apartment units and single-family rentals for each county and select municipalities in 2028. These estimates cover property tax liability at all levels of government, including taxes imposed by county, municipal, and special district taxing authorities. School district taxes are not affected by Amendment 3, but they are included in baseline tax liability when calculating the tax increase from tax shifting in response to Amendment 3. Estimates are withheld where the apartment or broader rental sample is too small to generate a reliable local figure. In a few cap-bound counties, the separate 5 percent non-homestead assessment limit can produce a small net tax decrease even after rates rise.[18]

Table 4. Per-Unit Backfilled Property Tax Increase on Apartments and Single-Family Rentals by County

Average additional annual property tax per unit under a revenue-neutral millage increase

	Apartment Units		Single-Family Rentals	
County	**Amount**	**Percent**	**Amount**	**Percent**
Average	*$406*	*15%*	*$1,081*	*15%*
Alachua	$380	12%	$692	12%
Baker	$330	29%	$777	26%
Bay	$137	11%	$502	11%
Bradford	*Insufficient Data*			
Brevard	$341	21%	$944	24%
Broward	$631	15%	$1,655	14%
Calhoun	*Insufficient Data*		$17	1%
Charlotte	$303	17%	$929	19%
Citrus	$152	14%	$543	14%
Clay	$568	29%	$1,296	28%
Collier	$134	8%	$1,044	7%
Columbia	*Insufficient Data*		$403	16%
DeSoto	$146	14%	$560	15%
Dixie	*Insufficient Data*			
Duval	$355	16%	$747	17%
Escambia	$224	16%	$527	16%
Flagler	$1,598	25%	$1,608	25%
Franklin	*Insufficient Data*		$690	7%
Gadsden	$75	7%	$156	9%
Gilchrist	*Insufficient Data*		$291	8%

18 This is true of Holmes County. Low-confidence results in Bradford and Union Counties also yielded negative values for single-family rentals but have been omitted due to insufficient data; their sign is uncertain.

	Apartment Units		Single-Family Rentals	
County	Amount	Percent	Amount	Percent
Glades	$98	7%	$309	7%
Gulf	$81	7%	$589	6%
Hamilton	$89	8%	$213	10%
Hardee	$71	11%	$216	9%
Hendry	$211	13%	$648	13%
Hernando	$299	24%	$932	24%
Highlands	$152	14%	$520	17%
Hillsborough	$560	19%	$1,114	19%
Holmes	*Insufficient Data*		−$24	−2%
Indian River	$173	18%	$1,380	17%
Jackson	$85	14%	$222	15%
Jefferson	$129	22%	$387	21%
Lafayette	*Insufficient Data*		$46	2%
Lake	$465	28%	$1,476	27%
Lee	$340	14%	$1,116	15%
Leon	$336	15%	$528	14%
Levy	$53	7%	$393	10%
Liberty	*Insufficient Data*		$142	9%
Madison	$62	11%	$191	9%
Manatee	$335	17%	$1,124	17%
Marion	$447	24%	$1,004	25%
Martin	$294	13%	$1,593	14%
Miami-Dade	$291	9%	$1,235	9%
Monroe	$111	4%	$501	3%
Nassau	$589	18%	$1,731	17%
Okaloosa	$237	14%	$670	14%
Okeechobee	$144	10%	$508	10%
Orange	$307	11%	$780	11%
Osceola	$394	17%	$1,319	19%
Palm Beach	$469	13%	$1,453	10%
Pasco	$493	21%	$963	20%
Pinellas	$549	19%	$1,350	18%
Polk	$365	19%	$876	21%

	Apartment Units		Single-Family Rentals	
County	**Amount**	**Percent**	**Amount**	**Percent**
Putnam	$58	6%	$285	9%
Santa Rosa	$270	18%	$812	21%
Sarasota	$261	12%	$696	13%
Seminole	$567	23%	$1,196	23%
St. Johns	$405	17%	$1,384	17%
St. Lucie	$432	23%	$1,760	30%
Sumter	$403	30%	$973	29%
Suwannee	$107	8%	$202	8%
Taylor	$74	16%	$363	13%
Union	*Insufficient Data*			
Volusia	$497	25%	$1,444	26%
Wakulla	*Insufficient Data*		$400	12%
Walton	$152	7%	$614	4%
Washington	*Insufficient Data*		$208	9%

Note: "Insufficient Data" reflects Florida Department of Revenue data suppression or too-small local apartment samples. Negative figures indicate that the modeled benefit of the lower non-homestead assessment limit exceeds the capped rate increase, due to rates that are already near the 10 mill cap. The statewide average is unit-weighted.

Source: Author's calculations based on Florida Department of Revenue 2025 final NAL assessment rolls and Florida Revenue Estimating Conference forecasts.

Table 5. Per-Unit Backfilled Property Tax Increase on Apartments and Single-Family Rentals in Select Municipalities

Average additional annual property tax per unit under a revenue-neutral millage increase

	Apartment Units		Single-Family Rentals	
Municipality	**Amount**	**Percent**	**Amount**	**Percent**
Bartow	$358	22.62%	$908	24.85%
Cape Coral	$565	18.45%	$1,576	19.94%
Fort Lauderdale	$504	11.38%	$1,834	10.66%
Gainesville	$445	11.92%	$775	12.23%
Key West	$140	4.30%	$603	4.36%
Lakeland	$381	18.38%	$820	20.24%
Miami	$268	7.20%	$1,069	7.02%
Orlando	$358	11.84%	$936	10.84%

	Apartment Units		Single-Family Rentals	
Municipality	**Amount**	**Percent**	**Amount**	**Percent**
Oviedo	$1,070	29.64%	$2,214	29.78%
Palatka	$58	6.54%	$241	9.51%
Palm Bay	$499	27.30%	$1,412	31.19%
Port St. Lucie	$531	32.37%	$2,092	32.67%
Sanford	$502	21.68%	$1,106	20.75%
Sarasota	$268	11.29%	$978	11.10%
St. Cloud	$488	25.92%	$1,979	29.82%
St. Petersburg	$651	19.90%	$1,282	18.45%
Tallahassee	$342	15.27%	$546	14.92%
Tampa	$758	18.88%	$1,329	17.82%
West Palm Beach	$433	12.60%	$776	10.25%
Winter Park	$368	11.88%	$1,572	11.05%

Source: Author's calculations based on Florida Department of Revenue 2025 final NAL assessment rolls and Florida Revenue Estimating Conference forecasts.

Conclusion

Amendment 3 provides a tax cut to homeowners and creates a sizable revenue hole for county and municipal governments. Many jurisdictions will be inclined to respond with rate increases and may be particularly motivated to do so quickly to ensure they do not lose revenue-generating capacity under the state's levy limits. To the extent that local governments respond by cutting spending, renters will experience reduced services with no commensurate tax relief. If counties and municipalities raise tax rates, then tax burdens will shift to non-homestead property, affecting renters, businesses, and non-homestead owners.

Even though renters do not pay property taxes directly, there is strong economic evidence that they ultimately bear much of the burden of any property tax increase through higher rent. If Amendment 3 passes, renters—a class that includes the majority of young Floridians—will pay more in taxes (indirectly), receive fewer services, or both.

Methodology

This analysis estimates the property tax shifts from Florida's proposed homestead exemption expansion and lower non-homestead assessment cap under Amendment 3. It compares unchanged rates with revenue-neutral increases, constrained only by rate caps. Our calculations are based on the Florida Department of Revenue (DOR)'s 2025 final NAL assessment rolls,[19] which supply parcel values, exemptions, land use, and unit counts for all 67 counties. A limited amount of property data is suppressed, which can be accommodated in most jurisdictions, but results in data insufficiency in a few smaller counties and municipalities.

Florida released preliminary 2026 NALs in August 2026, but final data are not available until October. This paper's analysis was conducted twice, using both 2025 final and 2026 preliminary data. Statewide results were highly similar (2025 final: apartments +$406, single-family rentals +$1,081; 2026 preliminary: apartments +$400, single-family rentals +$1,091), but the final 2025 data were retained due to greater confidence in the completeness of data from smaller jurisdictions.

Millages and taxes levied are likewise sourced from the DOR.[20] Population, households, tenure, and structure counts are sourced from the U.S. Census Bureau's American Community Survey (five-year estimates).[21]

Initial calculations apply the $250,000 homestead exemption, subtracting exemptions already received. Other exemptions are retained. For 2028, we model an increase in parcels' just value based on the Revenue Estimating Conference's latest county forecasts.[22]

We limit assessment growth under the Save Our Homes homestead and non-homestead limits and reconcile parcel-derived aggregate losses in the model (a 94 percent initial match) with REC forecasts on a jurisdiction-by-jurisdiction basis.[23] We then calculate revenue-neutral rates by dividing the prior levy by remaining taxable value, while limiting resulting rates to 10 mills each at the county and municipal levels. Dependent and independent district rate responses use county-average effective rates and are constrained to the same share of lost revenue recovered by the county levy.

Apartments are identified using DOR use codes 003 and 008, which reflect non-homestead multifamily parcels, and are divided by reported units. Single-family rentals require a proxy, which we draw from taxable, non-homestead one-unit homes, using a large language model (ChatGPT 5.6 Sol on high effort) to screen owner addresses and examine corporate or trust ownership to exclude likely

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[19] Florida Department of Revenue, Assessment Roll and GIS Data, NAL Assessment Rolls by County (2025 Final), https://floridarevenue.com/property/Pages/DataPortal_RequestAssessmentRollGISData.aspx.

[20] Id., Taxes Levied, https://www.floridarevenue.com/property/Documents/millage_taxes_levied.xlsx.

[21] U.S. Census Bureau, American Community Survey, https://www.census.gov/programs-surveys/acs/data/summary-file.2024.html. See B01003, B11001, B25003, B25007, and B25032.

[22] Florida Revenue Estimating Conference, "Statewide Comparison – July 2026 – County," https://edr.state.fl.us/Content/conferences/advalorem/adval_StatewideComparisonCounty.pdf.

[23] Id., "Homestead Exemption Increases; Assessment Increase Limitation 10% to 5%," July 10, 2026, https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2026F/_pdf/impact0710.pdf.

owner-occupants. Apartment units and totals for non-homestead residential property are derived directly from DOR data; decomposing single-family long-term rental properties, non-homestead owner-occupied residential property, and short-term residential rentals relies on LLM-assisted address matching and ACS owner counts. Because owner counts are reconciled with ACS data, jurisdiction-level results have high confidence, though potential error is somewhat larger than for apartment units or for non-homestead residential totals, which do not require such matching.

Base estimates are for tax year 2028. Tax year 2031 (FY 2032) estimates are obtained by scaling 2028 changes by county-specific REC loss ratios. To calculate property tax increases as a percentage of all property tax liability, including school district property taxes, we use parcel school district taxable values projected to 2028 based on county residential growth at an unchanged school millage, and then extend to 2031 based on REC county baseline growth. Thus, the $406 increase per apartment unit can be estimated as both a 23.0 percent increase in non-school taxes and a 14.28 percent increase in total property tax liability.

Extrapolation based on monthly rent uses ACS rent aggregates and structure counts to estimate rent through contract-to-gross-rent ratios. Rent-level examples scale unit-weighted apartment and single-family tax increases in proportion to these statewide rent estimates.
