

Disclosure of Estimated Property Taxes

Bills Filed

Bill No.: [SB 974](#)

Sponsor: **Hooper**

Title: **Disclosures of Ad Valorem Taxes**

Summary: Requiring online real property listing platforms to include an ad valorem tax estimator for online listings of residential property; providing requirements for such tax estimator and platforms; requiring online real property listing platforms to use listing prices for purposes of the tax estimator, etc.

Effective Date: 7/1/2023

Status: Filed 2/20/2023

Related bills: Compare to HB 1097 by Rep. Anderson

Companion Bill

Bill No.: [HB 1097](#)

Sponsor: **Anderson**

Title: **Disclosure of Estimated Property Taxes**

Summary: Requires residential property listings to include specified information; requires DOR to develop specified formula; requires property appraisers to annually provide certain information to DOR; requires DOR to annually publish information on its website; provides affirmative defense.

Effective Date: 7/1/2023

Status: Filed 2/23/2023

Related bills: Compare to SB 974 by Sen. Hooper

Issue:

Ten years of positive value growth in the Florida real estate market has resulted in the largest Save-Our-Homes cap benefits since the start of Save-Our-Homes in 1995. This is resulting in the largest cap resets (capped Assessed Value resetting to Just/Market Value) ever experienced by buyers of Florida residential real estate when the prior owner received the benefit of homestead exemption and the Save-Our-Homes cap for many years. As a result, new buyers are typically facing dramatically increased taxes in comparison to the previous owner. However, online listing platforms are typically showing or using the seller's property taxes when estimating the monthly carrying cost of the property, which is misleading. This is resulting in many shocked and upset purchasers when they were uninformed at time of sale and can jeopardize the new homeowner's ability to maintain ownership of the property after enduring the Assessed Value reset to Just/Market Value.

Both the Property Appraisers' Association of Florida (PAAF) and the Florida Association of Property Appraisers (FAPA) stand in support of this effort as a matter of consumer protection.

Solution/Key Elements of Legislation:

1. Online listing platforms have become the predominate first source of information for new purchasers searching for a Florida home, making them the logical location to display a prospective purchaser's estimated property taxes.
2. The Property Appraisers annually provide the Department of Revenue (DOR) the data necessary to estimate ad valorem taxes at the tax district level. The Property Tax Oversight division of the DOR is a supportive partner in this legislation and has agreed to host and update the necessary statewide data and tax estimate formula on their publicly accessible website.
3. The online listing platforms will populate their respective tax estimator with the DOR provided data and methodology to present the Buyer's Estimated Property Taxes. The Listing Price will be used as the Taxable Value of the property for the tax estimate. Use of this data and methodology will constitute a reasonable estimate of ad valorem taxes as of January 1 of the tax year after the property is purchased.
4. The platform must also provide a link to the respective county property appraiser office's website for a more detailed property tax estimate for the residential parcel.