



Effective July 1, 2025, section 20 of Chapter 2025-208, Laws of Florida (HB 7031), creates section 196.19782, F.S. Beginning with the 2026 tax roll, portions of property in a multifamily project are considered used for a charitable purpose and eligible to receive an ad valorem property tax exemption if portions of the property:

- provide affordable housing to persons or families meeting certain low-income requirements,
- are within a newly constructed multifamily project containing more than 70 units dedicated to housing persons or families meeting certain low-income requirements, and
- are located on real property owned by a governmental entity and subject to a lease or restrictive use agreement requiring to be leased for at least 30 years for the purpose of and predominant use of providing affordable housing.

The exemption must be applied for by the lessee on a form prescribed by the Department of Revenue by March 1, beginning in 2026. The property appraiser may request additional information necessary to make the determination.

The property appraiser shall exempt the assessed value of the units in multifamily projects meeting the requirements of this section. In the valuation, the property appraiser must include the proportionate share of the residential common areas fairly attributable to each unit, including the land. If a property fails to provide at least 70 affordable housing units as of January 1 of any year, it becomes ineligible for the exemption in that year.

If the property appraiser determines that for any year during the immediate previous 10 years a person was not entitled to an exemption:

- The property appraiser must serve the person a notice of intent to record a tax lien against any property owned by that person in the county and the property must be identified in the notice.
- Any property owned by the taxpayer in this state is subject to the taxes exempted by the improper exemption, plus a penalty of 50 percent of the unpaid taxes for each year and interest at a rate of 15 percent per year.
- A penalty or interest may not be assessed against a property owner improperly receiving the exemption, if the exemption was improperly granted as a result of a clerical mistake or an omission by the property appraiser.

Section 196.19782, F.S. is repealed December 31, 2061.

### **Affected Form**

The following form 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*

### **Rulemaking**

Rule 12D-16.002, F.A.C., Index to Forms, will be addressed through rulemaking to reflect the law change.

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. Send any questions by email **DORPTO@floridarevenue.com**.

### **Reference**

The full text of the implementing law (chapter 2025-208, Laws of Florida), which creates section 196.19782, F.S., is available at <https://laws.flrules.org/2025/208>.

### **Implementing Date**

Under section 101, this law is effective on July 1, 2025, and first applies to the 2026 tax roll.