Property Tax Oversight Informational Bulletin

Affordable Housing Exemption for Properties on State-Owned Lands

August 13, 2025
PTO 25-12

Effective July 1, 2025, sections 18 and 19 of Chapter 2025-208, Laws of Florida (HB 7031), creates section 196.19781, F.S., to provide an affordable housing exemption on properties owned by the state, beginning with the 2026 tax roll. Portions of properties with more than 70 units used to provide affordable housing for extremely-low-income to moderate-income individuals (per income limits in s. 420.0004, F.S.) are eligible for an ad valorem tax exemption if:

- The land is owned by the state.
- There is a lease or restrictive use agreement requiring the property to provide affordable housing for at least 60 years.
- The owner or operator of the property applies annually by March 1.

The exemption should be applied to the proportionate share of any residential common areas fairly attributable to the portion of the property providing affordable housing, including the land.

The property appraiser determines whether an applicant meets all of the statutory requirements and is entitled to an exemption. The property appraiser may request additional information necessary to make the determination. 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 for that year. If the property appraiser determines that for any year during the immediate previous 10 years a property was not entitled to an exemption:

- The property appraiser must serve the operator a notice of intent to record a tax lien against any property owned by the operator in the county
- Any property owned by the operator 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 improperly receiving the exemption, if the exemption was improperly granted as a result of a clerical mistake or an omission by the property appraiser.

Affected Forms

The following forms will be affected based on the law change.

- DR-403V, *The 20xx Revised Recapitulation of the Ad Valorem Assessment Roll Parcels and Accounts*
- DR-403EB, *The 20xx Ad Valorem Assessment Rolls Exemption Breakdown of ___ County, Florida*
- DR-489V, *The 20xx Preliminary Recapitulation of the Ad Valorem Assessment Roll Value Data*

- DR-489EB, *The 20xx Ad Valorem Assessment Rolls Exemption Breakdown of ___ County, Florida*

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 to **DORPTO@floridarevenue.com**.

Reference
The full text of the implementing law (chapter 25-208, Laws of Florida), which creates section 196.19781, 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.