Statement on Property Tax Reform Proposal

Our position on proposed Amendment 3

1000 Friends of Florida

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So many of us have chosen to build our lives and businesses here because of low taxes, governmental services, and the way our natural resources are managed and protected. Our quality of life depends on striking the right balance to support these three priorities. This can only be accomplished through careful planning, principally by our local communities with citizens' participation.

Now, state leaders have recklessly put our quality of life at risk with a half-baked proposal to slash taxes on select properties. In a two-day special session in June called on a few days' notice by the Governor, Florida legislators rushed to place a tax cut, labeled Amendment 3, on the November 2026 ballot for voter approval. It would raise the homestead property tax exemption from $50,000 to $150,000 in 2027 and $250,000 in 2028, with annual increases thereafter based on inflation. The cap on the annual increase in revenue from taxes on other properties would be cut in half.

An estimate from state economists belatedly delivered after the proposal was passed projected it would gut local governments' property tax revenues — the primary local funding source for roads, transit, public safety, libraries, parks and other services we count on — by $5 billion its first year and $12 billion its fifth year. The burden from this one-size-fits-all approach would not be equally shared in wildly diverse Florida. Hardest hit would be less affluent rural areas and neighborhoods where full-time, homesteaded residents live and work.

Local leaders would be forced to make deep cuts to services, drain reserves, raise taxes on non-homesteaded properties, and impose or increase sales taxes and fees, including new charges for once-free services.

Steep reductions in city and county revenues would decimate funding for local and regional planning. This would waste, rather than save tax dollars, because planning steers public investment where communities need it. Without planning, lobbyists dominate spending decisions, and communities lack the tools to properly manage the impacts of growth. Quality of life is degraded, and property values — the main source of wealth for most Floridians — suffer.

Other soft targets for cuts would include affordable housing and the green spaces that offer outdoor recreation while protecting our water supply, wildlife, rivers, springs and forests. Local property tax revenues have provided billions of dollars in steady funding for these areas, and leveraged billions more in matching state, federal and private funds. The proposal also would slash budgets for the guardians of Florida's water resources — its five regional water management districts, responsible for flood control, water supply and quality, and Everglades restoration.

There is a better way to confront rising property tax burdens: The Taxation and Budget Reform Commission is charged under the Florida Constitution to evaluate the state's tax structure, revenue needs and governmental efficiency. With the Commission scheduled to convene in 2027, its work should not be preempted by an unvetted proposal rushed to the ballot a year early.

If Amendment 3 passes instead, Tallahassee's priorities will override those of communities. Reductions in locally generated revenue will force cities and counties to go hat in hand to beg for dollars directly from the Legislature and the governor, increasing state control over local decisions, including in planning and conservation. Some cities, without funds for basic services, will have no choice but to dissolve.

Credit agencies have warned they could reduce bond ratings for local governments if Amendment 3 passes, making borrowing to build infrastructure needed to keep up with growth or to purchase conservation land more expensive or fiscally unfeasible. As the proposal stands, its risks won't be clear to Florida voters before they are asked to cement it into the state Constitution; its ballot summary is unquestionably misleading, written to advocate its adoption rather than honestly outline its details, and laced with misrepresentations of what the amendment would do.

These harmful impacts compel us to call on you to join us in opposing Amendment 3. The limited benefit of property tax cuts reserved for homestead property owners would be outweighed by the deeper damage done to planning, conservation, fiscal fairness, property values and ultimately the quality of life that makes Florida home.

Join us in opposing Amendment 3.