

## **For Immediate Release**

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### **Senate Takes Up \$1.5 Billion Tax Relief Package, Broad-Based Tax Savings for Families** *Fighting inflation and keeping Florida affordable*

**Tallahassee**—The Florida Senate today considered House Bill 7073. This tax relief legislation, along with provisions of the state budget, delivers over \$1.5 billion in broad-based tax savings to families across the state, with a focus on keeping Florida affordable by reducing taxes on property insurance as well as key items utilized by growing families and seniors. This legislation, which includes over \$500 million in property insurance tax relief, builds on historic tax relief passed in prior years that helps Floridians fight inflation. HB 5001, also discussed today, includes \$450 million in toll relief.

“Florida cannot independently fix or outpace inflation caused by reckless spending policies in Washington. While the federal government just keeps printing money, here in Florida under the leadership of Governor DeSantis and the Florida Legislature, we are saving it and living within our means, so we can continue to offer sales tax holidays and toll relief that is extremely popular and highly utilized, as well as over \$500 million in key tax relief on homeowner insurance policies, helping families bridge the gap as our property insurance market grows and stabilizes,” said Senator Ingolia.

“Inflation has led to significant increases in costs that are negatively impacting families. We are working to ease the pain with broad-based sales tax relief that will be very meaningful for families and seniors with opportunities for tax savings for families with kids heading back to school, those looking to prepare their homes for severe weather, and for Floridians, young and old, who want to get out and enjoy all the beautiful natural resources and fun events the free state of Florida has to offer this summer,” said Senate President Kathleen Passidomo (R-Naples). “We also recognize the cost of property insurance is posing a major affordability problem for many Florida homeowners. I believe every little bit helps. Over \$500 million in tax cuts for property insurance and flood insurance premiums are important for families who are trying make ends meet as our insurance market strengthens.”

### **SALES TAX HOLIDAYS**

#### **Back-to-School Sales Tax Holiday**

The legislation creates a 14-day “back-to-school” sales tax holiday from July 29 – August 11, 2024, for clothing, footwear, and backpacks costing \$100 or less, school supplies costing \$50 or less, learning aids costing \$30 or less, and personal computers or computer-related accessories, including non-recreational software, costing \$1,500 or less.

#### **Disaster Preparedness Sales Tax Holiday**

The legislation creates two 14-day “disaster preparedness” sales tax holidays from June 1 – 14, 2024 and August 24 – September 6, 2024, for disaster preparedness supplies. Some examples of tax-free items include: flashlights and lanterns costing \$40 or less; reusable ice costing \$20 or less; radios costing \$50 or less; tarps and ground anchors or tie down kits costing \$100 or less; coolers and portable power banks costing \$60 or less; batteries and fuel tanks costing \$50 or less; smoke detectors, fire extinguishers, and carbon monoxide detectors costing \$70 or less; and

generators costing \$3,000 or less. The holiday also includes a number of items related to the safe evacuation of household pets.

### **Freedom Month: A Month-Long Sales Tax Holiday on Recreational Items**

From July 1 – July 31, 2024, purchases of admissions to music, sporting, and cultural events; tickets to movies and museums; single admission or season tickets to theatre and dance performances; state park admission and annual passes; and use of fitness facilities will be tax free. Tickets, memberships and passes, purchased during this time for use any time from July 1 – December 31, 2024, are tax free.

The month-long summer sales tax holiday also applies to sales of certain boating and water activity equipment and supplies, camping equipment and supplies, fishing equipment and supplies, electric scooters, general outdoor supplies (including sunglasses, sunscreen, and grills), and residential pool chemicals, supplies and parts.

### **Skilled Worker Sales Tax Holiday on Tools**

The legislation creates a seven-day sales tax holiday from September 1 – 7, 2024, for certain tools used by skilled trade workers. Tax-free items include certain hand tools costing \$50 or less and power tools costing \$300 or less, work boots costing \$175 or less and many other pieces of safety equipment, as well as certain shop lights, toolboxes and belts, and plumbing and electrical equipment.

### **PROPERTY INSURANCE TAX RELIEF FOR HOMEOWNERS**

- HB 7073 includes a one-year relief for residential property insurance policyholders, covering the cost of insurance premium tax and the State Fire Marshal assessment for residential property insurance policies written between October 1, 2024, and September 30, 2025, for a twelve-month coverage period.
- The bill also includes a one-year insurance premium tax relief on flood insurance policies, reducing the cost of flood insurance policies written between October 1, 2024, and September 30, 2025.

### **TOLL RELIEF**

- HB 5001, the General Appropriations Act, accounts for \$450 million for a statewide toll relief program to be developed by the Department of Transportation. Toll relief will be provided for certain high-use customers from April 2024 until March 2025. Customers using a Florida-issued transponder who use Florida's Turnpike System and other toll facilities in the state are eligible. Customers who engage in 35 or more toll transactions in a month will receive a 50 percent credit.

### **SMALL BUSINESS TAX RELIEF**

- HB 7073 provides a \$5 million credit for three years against the corporate income tax for businesses employing persons with unique abilities of \$1,000 per employee.
- Additionally, the bill provides for a \$5 million credit for three years for businesses for child care expenses incurred on behalf of employees.
- The bill also increases the annual cap for the Strong Families Tax Credit Program from \$20 million to \$40 million. The Strong Families Tax Credit Program was created in 2021 to provide tax credits for businesses that make monetary donations to certain eligible charitable organizations focused on child welfare and well-being.

### **HILLSBOROUGH COUNTY SALES TAX HOLIDAY**

- HB 7073 and HB 5001 provide for \$182 million in local sales tax relief in Hillsborough County as a result of a court ruling on the former county transportation tax.

## **PROPERTY TAX RELIEF**

- House Joint Resolution 7017 proposes an amendment to the Florida Constitution requiring the current \$25,000 homestead exemption, which is applied to all ad valorem taxes other than school district taxes, be adjusted annually for positive inflation growth. The amendment will be considered by Florida voters at the 2024 general election and, if approved by 60 percent of the electors voting on the measure would take effect on January 1, 2025. If passed, the amendment is expected to save Florida homeowners \$22.8 million during the first year, growing to \$111.7 million by Fiscal Year 2028-29.

**Background:** Over the last several years, as state revenues have increased, the Florida Legislature has held the line on spending and prioritized broad-based tax relief for Florida's families and businesses.

**2023:** As part of a historic tax relief package, House Bill (HB) 7063 provided permanent tax relief on key items utilized by growing families and seniors. The bill created a permanent sales tax exemption on the sale of baby and toddler diapers, wipes, clothing, shoes, strollers, cribs and many other baby and toddler safety items. The legislation also created a permanent tax exemption on the retail sale of adult diapers and incontinence products and oral hygiene products, including toothbrushes, toothpaste, and floss. Further, the bill created a permanent sales tax exemption on certain materials used in agricultural operations, and reduced the business rent tax. Additionally, the bill froze the local cell phone and TV tax (local communications services tax) rates for three years. The local communications services tax rate in effect on January 1, 2023, may not be increased before January 1, 2026.

**2022:** House Bill 7071, delivered over \$1 billion in broad-based tax savings to families across Florida, with a focus on long- and short-term sales tax relief. The legislation resulted in savings for Floridians preparing for Hurricane Season and the 2022-2023 school year, with added tax relief to benefit those raising young children, purchasing energy efficient appliances or skilled worker tools; as well as, individuals and families enjoying outdoor activities and events. With gas prices at an all-time high the previous year, a month-long gas tax holiday provided key relief for Florida families and businesses. The bill also eliminated property taxes for homeowners who suffered losses in the Champlain Towers condominium collapse in Surfside, Florida, and expanded existing property tax relief for deployed military service members, widows, widowers and blind or disabled Floridians.

**2021:** House Bill 7061 established Back-to-School, Disaster Preparedness, and Freedom Week Sales Tax Holidays, created a permanent tax exemption for independent living items, and expanded the tax credit for affordable housing. SB 50 prevented an unexpected tax hike on businesses by replenishing the unemployment compensation trust fund. The bill created a fair playing field for Florida businesses by requiring the collection of existing taxes that are owed, but not currently collected from out-of-state online retailers. Revenue derived from those collections is used to replenish the Unemployment Compensation Trust Fund depleted by the COVID-19 Pandemic, ensuring necessary compensation is available for Florida workers seeking re-employment. When the trust fund reaches pre-pandemic levels, the law automatically triggers a permanent reduction in the business rent tax.

**2020:** House Bill 7097 established Back-to-School and Hurricane Preparedness Sales Tax Holidays.

**2018 and 2019:** House Bills 7087 (2018) and 7123 (2019) established Back-to-School and Hurricane Preparedness Sales Tax Holidays, reduced the business rent tax, and created several exemptions related to hurricane response, preparedness and recovery.

**2017:** House Bill 7109 established Back-to-School and Hurricane Preparedness Sales Tax Holidays, created a sales tax exemption for feminine hygiene products, and reduced the business rent tax.

**2016:** House Bill 7099 permanently eliminated the sales tax for machinery and manufacturing equipment, and established a Back-to-School Sales Tax Holiday.

**2015:** House Bill 33-A permanently decreased the communication services tax on Floridians' phones and television services, instituted a Back-to-School Sales Tax Holiday, and among other tax relief measures, eliminated the sales tax charged to returning service members and their families who purchased a vehicle overseas.

**2014:** House Bill 5601 established Back-to-School and Hurricane Preparedness Sales Tax Holidays; created permanent sales tax exemptions for children's car seats, booster seats, and bicycle helmets; and provided a nearly \$400 million reduction in vehicle registration fees. The legislation reduced certain annual fees paid to register a motor vehicle to the amount paid prior to 2009. In addition to other tax relief measures passed in 2014, this legislation provided annual fee relief to every Floridian who registers a car or truck.

For more information, please visit [www.FLSenate.gov](http://www.FLSenate.gov).

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