

# The Florida Senate

## President Office — Press Release

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## SENATE TAKES UP BROAD-BASED TAX RELIEF FOR FLORIDA'S FAMILIES

*Tax Holidays for Gas, Back-To-School, Disaster Preparedness, Freedom Week, Energy Star Appliances, Tools - Tax-Free Baby Diapers, Clothes, Shoes, Books; Property Tax Refunds for Surfside Condo Collapse*

**Tallahassee** — The Florida Senate today considered House Bill 7071, Taxation, which delivers \$1.1 billion in broad-based tax savings to families across the state over two years, with a focus on long- and short-term sales tax relief. The legislation, which will be considered for a final vote on Monday, would result in savings for Floridians who are preparing for the upcoming 2022 Hurricane Season and the 2022-2023 school year, raising young children, purchasing ENERGY STAR appliances or skilled worker tools; as well as, individuals and families enjoying outdoor activities and events. With gas prices at an all-time high, a month-long gas tax holiday will provide relief for every Floridian who drives a car. The bill also eliminates property taxes for homeowners who suffered losses in the Champlain Towers condominium collapse in Surfside, Florida, and expands existing property tax relief for deployed military service members, widows, widowers and blind or disabled Floridians.

“Florida cannot independently fix or outrun all of the problems leading to the cost increases that are wreaking havoc on families, especially our most vulnerable. However, we are working to ease the pain with broad-based sales tax relief and a month-long gas tax holiday. This bill supports growing families, Floridians looking to prepare their homes for severe weather, and the blue collar working men and women of our state who are trying their best to get by amid record-high gas prices and inflation that many of us have not seen in our lifetime,” said Senate President Wilton Simpson (R-Trilby). “We are increasing the length of sales tax holidays for hurricane season and back-to-school, and also creating new short-term and long-term sales tax relief on key items needed by families.”

“Last summer, our state was shocked by the sudden collapse of the Champlain Tower Condominiums in Surfside. This devastating event took the lives of 98 people, destroying the homes of many more. This legislation makes sure that we remove the property tax burden of the surviving families in Surfside, as well as other Floridians who may lose their home in an unforeseen catastrophic event,” continued President Simpson. “Additionally, with housing prices as high as they are, the tax code should not be discriminating against mobile homes. With inflation and supply chain problems, many people cannot afford to build a house right now. Someone who wants to live on a piece of land they own should not have to pay a six percent sales tax to put a

mobile home on that lot. This bill cuts that tax in half.”

## **SHORT-TERM BROAD-BASED SALES TAX HOLIDAYS**

### **Establishes the 2022 Gas Tax Holiday**

The legislation creates a month-long fuel tax holiday from October 1 – 31, 2022. The holiday will reduce the tax on motor fuel by \$0.25 per gallon.

### **Establishes the 2022 Back-to-School Sales Tax Holiday**

The legislation creates a 14-day “back-to-school” sales tax holiday from July 25 – August 7, 2022, for clothing, footwear, and backpacks costing \$100 or less, school supplies and learning aids costing \$50 or less, and personal computers or computer-related accessories, including non-recreational software costing \$1,500 or less.

### **Establishes the 2022 Disaster Preparedness Sales Tax Holiday**

The legislation creates a 14-day “disaster preparedness” sales tax holiday from May 28 – June 10, 2022, for disaster preparedness supplies. Some examples of tax-free items include: flashlights and lanterns costing \$40 or less; radios costing \$50 or less; tarps costing \$100 or less; coolers costing \$60 or less; batteries costing \$50 or less; smoke detectors, fire extinguishers, and carbon monoxide detectors costing \$70 or less; and, generators costing \$1,000 or less. The holiday also includes a number of items related to the safe evacuation of household pets.

### **Establishes the 2022 Freedom Week Sales Tax Holiday**

During the week of July 1 –7, 2021, 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 the Freedom Week Sales Tax Holiday for use from July 1 – December 31, 2022, are tax free.

The Freedom Week Sales Tax Holiday also applies to sales of boating and water activity supplies, camping supplies, fishing supplies, general outdoor supplies, and sports equipment.

### **Establishes the 2022 Skilled Worker Tools Sales Tax Holiday**

The legislation creates a seven-day sales tax holiday from September 3 – 9, 2022, for certain tools used by skilled trade workers. Tax-free items include certain hand and power tools, work boots, safety equipment, shop lights, toolboxes and belts, plumbing and electrical equipment, and industry textbooks and codebooks.

## **LONG-TERM BROAD-BASED SALES TAX RELIEF**

### **Cuts Mobile Home Tax in Half**

The bill permanently reduces state sales tax to three percent on the sale of a new mobile home.

Currently, mobile homes are subject to a six percent sales tax and classified as tangible personal property prior to being permanently affixed to land.

### **Impact-Resistant Windows, Doors, and Garage Doors**

The bill creates a two-year sales tax exemption from July 1, 2022 – June 30, 2024, on the retail sales of impact-resistant windows, doors, and garage doors. Retrofitting buildings with impact-resistant doors can help reduce the damage caused by hurricanes.

### **Children’s Clothing and Shoes**

The bill creates a one-year sales tax exemption from July 1, 2022 – June 30, 2023, on the retail sale of baby and toddler clothing and shoes. This would include baby and toddler clothing primarily intended for children age five or younger. Florida is home to more than one million children under age five, and welcomes nearly 600 newborns each day.

### **Children’s Diapers**

The bill creates a one-year sales tax exemption from July 1, 2022 – June 30, 2023, on the retail sale of children’s diapers, including single-use diapers, reusable diapers, and reusable diaper inserts. In the first year of a child’s life, parents can expect to use approximately 3,000 diapers, or an average of eight diapers per day.

### **Energy Efficient Appliances**

The bill creates a one-year sales tax exemption from July 1, 2022 – June 30, 2023, on the retail sale of certain ENERGY STAR appliances including refrigerator/freezer units selling for \$3,000 or less, and water heaters, washers or dryers selling for \$1,500 or less. The federal government, through the Environmental Protection Agency, certifies a number of products under the ENERGY STAR program.

### **Children’s Books**

The bill creates a three-month sales tax exemption from May 14 – August 14, 2022, on the retail sale of all children’s books. A two-decade long study found that having a home library increases children’s academic success, vocabulary development, attention and future job attainment.

### **Farm Trailers and Fencing**

The legislation creates a permanent sales tax exemption for fencing materials used to replace, repair or build farm fences on agricultural land. Additionally, the bill exempts all trailers used for agricultural and farm work from sales tax.

## **PROPERTY TAX RELIEF**

### **Champlain Towers Condominium Collapse**

The bill creates s. 197.3195, F.S., to provide tax relief homeowners affected by a sudden and

unforeseen collapse of a residential building. The bill requires the tax collector to abate all taxes for destroyed parcels, and the property appraiser must notify the owners of the abatement.

### **Residential Property Rendered Uninhabitable Due to a Catastrophic Event**

The bill creates s. 197.319 F.S., to provide for the prorated refund of property taxes on residential properties rendered uninhabitable by a catastrophic event. The bill defines “catastrophic event” as a calamity or misfortune not caused by the property owner. If a residential property is rendered uninhabitable for 30 days or more, the owner may be refunded a portion of their property taxes for the time the property was uninhabitable.

### **Property of Widows, Widowers, Blind, and Totally and Permanently Disabled Person**

Since 1885, the Florida Constitution has provided a specific exemption for the property of widows and those who are totally and permanently disabled. The bill increases from \$500 to \$5,000 the value of property exempt from ad valorem taxation for residents who are widows, widowers, blind, or totally and permanently disabled.

### **Property of Deployed Service Members**

The Florida Constitution grants a property tax exemption for military service members during the time they are deployed on active duty outside the United States. The bill expands the number of active deployments that qualify for the exemption by including military operations unclassified by the federal government in the last year.

**Background:** Over the last several years, the Florida Legislature has prioritized broad-based tax relief for Florida’s families and businesses.

**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.

Disclaimer: The information on this system is unverified. The journals or printed bills of the respective chambers should be consulted for official purposes.

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