



SHORT-TERM BROAD-BASED SALES TAX HOLIDAYS

Establishes Two Back-to-School Sales Tax Holidays

HB 7063 creates two, 14-day “back-to-school” sales tax holidays from July 24 – August 6, 2023, and January 1 – January 14, 2024, 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 Two Two-Week 2023 Disaster Preparedness Sales Tax Holidays

The legislation creates a 14-day “disaster preparedness” sales tax holiday from May 27, 2023 – June 9, 2023, and August 26, 2023, -- September 8, 2023, 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 holidays also include a number of items related to the safe evacuation of household pets. Common household consumable items that may helpful with disaster cleanup are also included. For example, laundry detergent, toilet paper and paper towels, soap, sunscreen, and various household cleaning products, with a sales price of \$30 or less.

Expands Freedom Week to Freedom Summer, a 3-month Sales Tax Holiday on Recreational Items

From May 29 – September 4, 2023, we are expanding the popular Freedom Week from last to Freedom Summer, where 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 from May 29 – December 31, 2023, are tax free.

The Freedom 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, general outdoor supplies (including sunglasses, sunscreen, and grills), residential pool chemicals, supplies and parts, and children’s toys and athletic equipment.

Establishes the 2023 Skilled Worker Tools Sales Tax Holiday

The legislation creates a seven-day sales tax holiday from September 2 – 8, 2023, 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, and plumbing and electrical equipment.

Sales Tax Free Gas Stoves, and Energy Efficient Appliances

This legislation creates a one-year sales tax exemption from July 1, 2023 – June 30, 2024, on the retail sale of indoor gas ranges and stoves and certain energy efficient appliances including refrigerator/freezer units selling for \$4,500 or less, and water heaters, washers or dryers selling for \$1,500 or less.

Freezes Local Cell Phone and TV Tax

HB 7063 also freezes local communications services tax rates for three years. This tax is applied to all cell phone, streaming, cable, and satellite bills. The local communications services tax rate in effect on January 1, 2023, may not be increased before January 1, 2026.

PERMANENT BROAD-BASED SALES TAX RELIEF

Baby and Toddler Products

This legislation creates a permanent sales tax exemption on the retail sale of baby and toddler diapers, wipes, clothing, shoes, strollers, cribs and many other baby and toddler safety items. This includes baby and toddler clothing sized accordingly 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. 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.

Hygiene Products

This legislation creates a permanent tax exemption on the retail sale of adult diapers and incontinence products and oral hygiene products, including toothbrushes, toothpaste, and floss.

Agricultural Fencing

This legislation creates a permanent sales tax exemption on materials used to construct or repair permanent or temporary fencing used to contain, confine, or process cattle, including gates and energized fencing systems, used in agricultural operations on lands classified as agricultural lands.

Renewable Natural Gas Machinery and Equipment

This legislation creates a permanent sales tax exemption on the purchase of machinery and equipment that is used in the production, storage, transportation, compression, or blending of renewable natural gas that is used as transportation fuel or for electric generation or is of a quality capable of being injected into a natural gas pipeline.

Firearm Safety Devices

This legislation creates a permanent tax exemption on the retail sale of gun safes and trigger locks, and other devices designed for the safe storage of firearms, or designed to prevent the firearm from being operated without deactivating a secondary safety device by using a key or combination.

Property Tax Relief

- Allows disabled veterans and surviving spouses who are entitled to complete homestead exemptions to receive refunds of taxes they had to pay in the year they purchase a homestead.
- Clarifies that disabled veterans and surviving spouses may transfer their homestead exemptions to another property.
- Expands the exemption for surviving spouses of first responders killed in the line of duty to include spouses of federal law enforcement officers.
- Prohibits the levy of special assessments on agricultural lands.

- Clarifies that parsonages, burial grounds, and tombs owned by houses of worship are used for religious purposes, and are therefore exempt.
- Extends the educational property exemption to certain schools who lease property.
- Makes clarifying changes to Florida's automatic property tax refund process for properties that are damaged and become uninhabitable.

Business Tax Relief

- Cuts the business rent tax from 5.5% to 4.5% beginning in January 2024.
- Creates a tax credit for investment in equipment to produce breast milk fortifiers.
- Increases the annual Brownfield Rehabilitation program cap by \$25 million.
- Increases the annual credit limit for the Strong Families Tax Credit from \$10 million to \$20 million to help provide more child welfare services in Florida communities.
- Creates a tax credit for installing graywater treatment systems on residential property.

Additional Tax Relief Measures

- SB 4A, Disaster Relief, by Senator Hutson, passed during a recent special session, provided property tax refunds for the portion of the year that homes were uninhabitable due to hurricane damage from Hurricanes Ian or Nicole.
- SB 6A by Senator DiCeglie, also passed during a recent special session, appropriated \$500 million for a statewide toll relief program for frequent commuters, beginning on January 1, 2023, through end of the year. Customers using a two-axle vehicle with a Florida-issued transponder who use Florida's Turnpike System and all 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.
- SB 102, the Live Local Act, by Senator Calatayud, which passed earlier this session, included several tax relief measures related to affordable housing. The legislation included, but was not limited to, a sales tax refund on building materials for Florida Housing Finance Corporation's financed developments, the "Missing Middle" property tax exemption for recently constructed or renovated developments that offer affordable housing, and tax credits for Florida businesses who make donations towards housing projects for low-income persons.