

PROPERTY TAX REFORM

WHAT IT MEANS FOR THE CITY OF NORTH PORT

Why Property Taxes Matter

Property taxes are a primary source of funding for essential City services. In North Port, property tax revenue directly supports:

- Police
- Fire & Emergency Medical Services
- Parks & Recreation
- Code Enforcement
- Emergency Management
- General Government Services

These services depend on stable property tax revenue to operate safely, reliably, and at current service levels.

How Property Taxes are Calculated

Your property tax bill is determined by three main factors:

- Assessed Value – Determined by the County Property Appraiser based on market value
- Exemptions – Homestead and other exemptions reduce taxable value
- Millage Rates – Set annually by local taxing authorities

What Is a Millage Rate?

- A millage rate is the amount of tax per \$1,000 of taxable property value
- A millage rate of 3.7667 means you pay \$3.7667 in taxes for every \$1,000 of your property's taxable value
- If taxable value is \$250,000, property owner pays \$941.68 in property tax or ~\$2.58 per day taxable value ÷ 1,000 × millage rate = Property tax owed

Who Sets the Millage Rate?

- Millage rates are set annually by local taxing authorities, including:
 - Municipalities
 - Counties
 - School Boards
 - Special Districts
- Rates are based on budget needs and adopted through public hearings

Your Property Tax Dollars at Work in North Port

- \$78 per month in North Port property taxes pay for \$194 per month in city services
- For every \$1 in local taxes, North Port delivers about \$2.47 in essential services

Where North Port Property Tax Dollars Go

\$250,000 Taxable Value = \$941.68 per Year

Service	Monthly Cost
Police	\$32.11
Fire & EMS	\$12.30
Public Works	\$6.87
Parks & Recreation	\$6.50
Information Technology	\$4.57
Development Services	\$3.42
Finance	\$2.64
Non-Departmental	\$1.70
City Manager's Office	\$1.68
Legal	\$1.66
Human Resources & Risk	\$1.56
Communications	\$1.08
City Clerk	\$0.77
Social Services	\$0.60
Commission	\$0.59

Total: \$78.47 per month - \$941.68 per year

Existing Protections for Homeowners

Florida law already limits how quickly property taxes can increase:

- Homesteaded properties:
 - “Save Our Homes” cap- 3% or CPI (whichever is lower)
 - Portability of SOH (Save Our Homes) benefits up to \$500,000
- Non-homesteaded properties:
 - 10% annual assessment cap

These protections already shield homeowners from sudden tax increase

Proposed Statewide Property Tax Reform

Multiple Florida House proposals are advancing and are expected to appear on the November 2026 ballot, with implementation beginning January 1, 2027 (FY28)

Key elements under consideration:

- Expansion or elimination of non-school homestead property taxes
- School taxes exempt from reform
- Law enforcement protected
- Some proposals also protect Fire/EMS
- No replacement revenue identified

Why North Port is Especially Vulnerable

North Port’s tax structure leaves the City highly exposed to property tax reductions:

- 87% of properties are residential
- 45% are homesteaded
- The City has no significant commercial or industrial tax base

This means there is no alternative revenue source large enough to absorb major property tax losses

The Public Safety Reality

- Public safety is the City’s largest and least flexible expense:
 - \$55 million annually
 - \$40M Police
 - \$15M Fire/EMS
- Represents 57% of the General Fund
- Total property tax revenue: \$39 million

Protecting public safety while reducing property taxes creates a structural budget imbalance



Budget Impact Before vs. After the Reform

Current Budget (Balanced)

Total Revenue Required: \$97M



Police & Fire/EMS: \$55M



Personnel: \$26M



Operating Costs: \$16M

- Services fully funded
- Staffing levels maintained
- City operates normally
- No new revenue required

Budget After Property Tax Reform

Total Revenue Required: \$97M
-\$18M Property Tax Loss
 Total Revenue Available: \$79M



Police & Fire/EMS: **\$55M (PROTECTED)**



Personnel: **-\$26M**



Operating Costs: **-\$16M**

- Services at risk of cuts
- Not enough to pay employees
- City cannot operate fully
- New revenue required

The Bottom Line

Property tax reform does not reduce spending — it reduces services.

An \$18 million gap means:

- Same Responsibilities
- Less money
- Fewer services

Without replacement revenue, North Port cannot maintain current service levels, even while fully protecting public safety.