THE IMPACT OF AMENDMENT 3

ON BUSINESSES & THE SERVICES THEY RECEIVE FROM MUNICIPAL GOVERNMENTS

A FACTUAL LOOK AT HOW AMENDMENT 3 COULD AFFECT ESSENTIAL BUSINESS SERVICES

Amendment 3, if approved by 60% of Florida voters, would expand the homestead property tax exemption and create a framework to reduce or eliminate the non-school portion of property taxes on homesteaded property over time.

WHY IT MATTERS TO BUSINESSES

Businesses rely on local governments for the services, approvals, and support they need to start, operate, invest, expand, and create jobs. These services are funded primarily by local property taxes.

State economists estimate Amendment 3 could reduce local government property tax revenues by approximately $5 BILLION in Fiscal Year 2027-28, with larger reductions in future years as the proposal is fully implemented.

THE FINANCIAL IMPACT

Because every Florida city has a different tax base, population, and service demands, the impact of Amendment 3 will vary from one municipality to another. Cities may face difficult choices, such as:

- Reducing staff or limiting service hours
- Delaying technology upgrades and system improvements
- Postponing facility maintenance and system improvements
- Slowing economic development and business support
- Increasing fees or redirecting limited resources

These decisions could affect the speed, quality, and availability of services businesses depend on every day.

BUSINESS SERVICES AT RISK

A reduction in local funding could affect the capacity, timeliness, and quality of the following business services:

PERMITTING
Processes and reviews permits for new construction, renovations, signage, and operational activities.

INSPECTIONS
Ensures buildings and properties meet code, safety, and environmental standards.

LICENSING
Issues and renews local business tax receipts, licenses, and land use applications.

BUILDING & ZONING APPROVALS
Reviews and approves site plans, zoning requests, variances, and land use applications.

CERTIFICATES OF USE
Verifies that a business or property can legally operate for its intended use.

ECONOMIC DEVELOPMENT
Recruits new businesses, supports expansion, and promotes investment and job creation.

BUSINESS ADVISORY SERVICES
Provides guidance, resources, training, and connections to help businesses succeed.

Reduced revenue may lead to longer wait times, fewer staff available, slower reviews, and less one-on-one support.

HOW REDUCED REVENUES CAN IMPACT BUSINESSES

LONGER REVIEW TIMES
Delays in permitting, inspections, and approvals can slow projects and increase costs.

HIGHER COSTS
Delays and inefficiencies can increase operating costs and make it more expensive to do business.

LESS COMPETITIVE
Communities with limited resources may struggle to compete for new investment and jobs.

SLOWED GROWTH
Fewer resources for economic development can mean fewer opportunities for business expansion and retention.

IMPACT ON JOBS
Reduced business activity can lead to fewer jobs and slower economic growth locally.

THE BOTTOM LINE

Strong business services are essential to a strong local economy. Amendment 3 could reduce the local funding that supports the municipal services businesses depend on to invest, grow, and create jobs in our communities.

KEY FACT

Amendment 3 does not create new revenue for cities, counties, or other local governments.

It reduces the amount of property tax revenue available to fund local services.