ARA 04- VOLUNTARY SPECIAL ASSESSMENTS ON AG-ZONED LAND

STAFF ANALYSIS

PROPOSAL INFORMATION			
SUBMITTING COUNTY:	Marion County		
SPONSOR CONTACT:	Matt Cretul, Legislative Manager; matthew.cretul@marionfl.org; (352) 817-3139		
FAC COMMITTEE:	ARA	**CROSS-CLAIMS:**	FTA
FAC STAFF:	Peter Abello	**DATE:**	October 19th, 2026

This staff analysis is based on the proposal as submitted and does not reflect an adopted position of the Florida Association of Counties.

POLICY PROPOSAL:

FAC supports legislation to amend Section 125.01(1)(r), Florida Statutes, to allow the levying of special assessments on agricultural-zoned or exempt land for the purpose of infrastructure improvements for property owners that have voluntarily requested a special assessment for their benefit.

I. SUMMARY:

Marion County asks FAC to support amending s. 125.01(1)(r), F.S., to allow counties to levy special assessments on land classified as agricultural under s. 193.461, F.S., when property owners have voluntarily requested the assessment to fund infrastructure improvements that benefit them. Currently, Florida law preempts county authority to levy special assessments on land classified as agriculture, notwithstanding two conditions. This proposal seeks to add a third exemption when property owners have voluntarily requested a special assessment for their benefit. Counties commonly fund neighborhood road paving, street lighting, stormwater drainage, and similar improvements through special assessments and municipal service benefit units (MSBUs) which can be initiated by resident petition or, for roads in poor condition, through a Pavement Condition Index (PCI) process. In Marion County, many subdivisions remain on unpaved roads and rely on these programs as their only realistic path to improvement. The Marion County Board of County Commissioners has voted to support the proposal.

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II. PRESENT SITUATION:

Currently, Florida law authorizes counties to create municipal service taxing units and to levy special assessments that fund road projects, drainage, street lighting, and similar infrastructure improvements. However, since July 1, 2023, following passage of HB 7063, s. 125.01(1)(r), F.S., has barred county special assessments on agriculturally classified land, with exceptions for residential structures and their curtilage and for assessments pledged to bonds outstanding on that date. This means vacant properties or those with an agricultural exemption (classified as “08”) can no longer be included in sharing the cost, even if they’re located within the neighborhood receiving the improvements. In addition, because a valid special assessment must be fairly and reasonably apportioned among the properties that receive the special benefit, counties cannot shift the unpaid share of exempt agricultural parcels onto other property owners in the assessment area. See *City of Boca Raton v. State*, 595 So. 2d 25 (Fla. 1992). This results in difficulty for counties to move forward with improvement projects in areas where a significant number of parcels cannot legally be assessed.

Marion County reports that 11 road improvement projects cannot proceed because vacant AG08-classified parcels in the assessment areas cannot be included, and two more were canceled after residents had already approved them through the petition process. The Marion County Property Appraiser reports 5,453 vacant AG08 parcels countywide as of August 27, 2026. Not all of them lie within proposed improvement areas, but the figure shows the potential scope of the issue. The county argues the restriction prevents willing property owners from funding improvements that directly benefit their neighborhoods and puts added pressure on the general fund.

III. EFFECT OF THE PROPOSAL:

The proposal would amend s. 125.01(1)(r), F.S., by adding another special assessment exemption for agriculturally classified property for cases in which "a neighborhood or group of property owners have voluntarily requested a special assessment for their benefit." Where such a request is made, a county could levy the assessment on land classified as agricultural under s. 193.461, F.S., within the benefit area.

IV. COUNTY IMPACT:

All 67 counties could use this authority, though its effect would be concentrated in counties with agriculturally classified parcels. When a neighborhood or group of property owners voluntarily requests an assessment, a county could include agriculturally classified parcels within the benefit area. The proposal would restore a tool counties have long relied on to improve neighborhood infrastructure without raising countywide taxes. Projects that stalled because agricultural parcels could not share the cost could move forward once residents request them; in Marion County, that includes

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11 road projects that cannot proceed and two canceled after successful petitions. Including agricultural parcels would spread costs across every property that benefits from an improvement, which reduces the share counties would otherwise absorb.

Protective of Home Rule: Yes.

V. FISCAL IMPACT:

- The local revenue impact is positive but indeterminate. Revenue would be recovered in counties where neighborhoods or groups request assessments.
- The Revenue Estimating Conference estimated that the 2023 prohibition reduced local revenues statewide by $23.7 million in FY 2023-24.
- The submission reports 11 Marion County Road improvement projects that cannot proceed and two canceled after successful petitions. Including agricultural parcels in requested assessments would reduce the general fund share counties absorb to complete such projects.

Unfunded Mandate (Art. VII, s. 18, Fla. Const.): No,

VI. LEGISLATIVE & FAC HISTORY:

- 2025: SB 192 (Gruters) and identical HB 1303 (Mooney) would have extended the prohibition to all non-ad valorem assessments on agricultural lands (proposed s. 193.4614, F.S.). SB 192 died in Senate Community Affairs and HB 1303 in House Ways & Means. SB 432 (McClain) and HB 771 (Steele) would have removed counties' authority to levy special assessments. SB 432 died in Senate Community Affairs and HB 771 in House Ways & Means.
- 2023: HB 7063 (ch. 2023-157) enacted the current prohibition. The language originated in CS/CS/SB 1184 (Collins) and CS/CS/CS/HB 1343 (Tuck), which died after the provision moved into the tax package.
- 2016: CS/HB 773 (ch. 2016-89) prohibited county and municipal fire assessments on agricultural land without a residence or qualifying farm building.
- Trajectory: since 2016 the Legislature has moved toward broader protection of agricultural land from assessments. It went from a fire-only limitation to a full county prohibition, and 2025 proposals would have extended it further.
- Past FAC statements: None
- Guiding Principles Finance, Tax, and Administration
- BoCC action: the submission states that the Marion County BoCC has voted to support the proposal.

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