

## LOCAL GOVERNMENT ASSISTANCE

### Property Tax Relief and Local Option Taxes

The Department administers numerous property tax credits that supplement revenues collected by local governments. The Department also collects and distributes local option taxes to local governments and school districts.

**Table 5: Distribution of Funds to Local Governments for Fiscal Year 2019**

Property Tax Relief Program	Definition	Distribution
Homestead Tax Credit	Adopted to encourage home ownership through property tax relief. Current credit is equal to the actual tax levy on the first \$4,850 of actual value.	\$138,934,109
Elderly and Disabled Tax Credit/Rent Reimbursement	Provides property tax relief to low-income elderly and disabled homeowners or rent relief to low-income elderly and disabled renters.	\$18,813,003
Mobile Home Reduced Tax Rate	Established in conjunction with the Elderly and Disabled Property Tax Credit. Provides tax reduction to homeowners of mobile and manufactured homes.	\$91,004
Special Assessment Tax Credit	Established in conjunction with the Elderly and Disabled Property Tax Credit. Provides 100% tax reduction to qualified homeowners who are required to pay special assessments.	\$14,651
Business Property Tax Credit	Established by 2013 Property Tax Reform. Provides a tax credit for commercial, industrial, and railroad property taxes to qualified property units.	\$124,736,811
Replacement Claim	Established by 2013 Property Tax Reform. This claim offsets a reduction in the rollback for commercial and industrial properties.	\$152,114,544
Agricultural Land Tax Credit	Credit established to partially offset the school tax burden borne by agricultural real estate. Current law allows a credit for any general school fund tax in excess of \$5.40 per \$1,000 of assessed value. Land used for agricultural or horticultural purposes in tracts of 10 acres or more is eligible.	\$29,100,000
Family Farm Tax Credit	Credit established to partially offset the school tax burden borne by agricultural real estate. Current law allows a credit for any general school fund tax in excess of \$5.40 per \$1,000 of assessed value. The owner or owner's relatives must be actively engaged in farming the land and the land must be used for agricultural or horticultural purposes.	\$10,000,000
Military Service Property Tax Exemption	Reduces the taxable value of property for military veterans. The amount of the exemption varies.	\$1,822,504
Local Option Sales Tax (LOST)	Sales tax up to 1% imposed by counties either countywide or in incorporated areas or unincorporated areas. Imposed on sales and services taxed under State sales tax provisions.	\$366,548,377
Secure an Advanced Vision for Education Tax (SAVE)	Portion of the statewide 1% sales and use tax distributed to school districts on a per pupil basis.	\$483,991,931
Property Tax Equity and Relief (PTER)	Portion of the statewide 1% sales and use tax dedicated for property tax relief.	\$10,380,739
Hotel/Motel Tax	Tax up to 7% imposed by cities on the gross receipts from the rental of hotel or motel rooms for 31 consecutive days or less.	\$59,293,344
Sales Tax Increment Program	Definition	Distribution
Flood Mitigation	Allows local governments to fund flood mitigation projects in part through receiving a portion of the growth in state retail sales tax in their jurisdiction	\$26,215,451
Urban Renewal	Allows local governments to fund urban renewal projects in part through receiving the growth in local option sales tax in their jurisdiction	\$231,190
Reinvestment Districts	Allows local governments to fund development projects in part through receiving a portion of the growth in state retail sales and lodging taxes within their reinvestment district	\$1,464,775