



Florida Homestead Portability

Florida's Save Our Homes Amendment has saved homeowners thousands of dollars in taxes on their homestead property by limiting the increase in assessed value of homestead property to no more than 3% per year or the percentage change in the Consumer Price Index, whichever is less. And, thanks to a 2008 amendment to the state constitution, homeowners can now transfer, or "port," up to \$500,000 of this capped value to their new homestead, subject to certain rules.*

Common Questions

What if the market value of my new homestead is higher than the old homestead?

Suppose your old home was worth \$350,000, but was assessed at only \$250,000, resulting in a \$100,000 cap differential. If you were to move to a new home worth \$500,000, that home would be assessed at no more than \$400,000 in the first year, and subsequent increases would be subject to the provisions of the Save Our Homes Amendment.

What if I downsize to a less expensive home?

In this case, the cap differential you can port is limited to your old home's assessed value divided by its true market value. For example, if your old home was worth \$500,000, but was assessed at \$400,000, your new, less expensive home would be assessed at 80% of its market value the first year.

What if two people who each have their own homestead acquire a new homestead together?

Whichever prior homestead has the highest cap differential, and thus the highest tax savings, will be used to determine the amount to be ported to the new homestead.

How long do I have to transfer the assessment difference to my new homestead?

Homeowners must port their Save Our Homes tax benefits to their new homestead within two years of abandoning their previous homestead. For example, if the previous homestead exemption was abandoned in April 2017, a new homestead exemption must be established by January 1, 2019.

NOTE: In order to port the Save Our Homes benefits when filing an application for a new homestead exemption, you must also file the Transfer of Homestead Assessment Difference Form DR-501T by March 1st of the year you intend to establish a new homestead.

*Rules regarding portability are set forth in Florida Statute 193.155(8)

This is not intended as legal or tax advice. Please consult with a tax advisor.

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