Higher tax bills around Tampa Bay could spur wallet pain and political heat

Local property appraisers say the recent surge in Tampa Bay real estate values could cause sticker shock when residents get their property tax notices later this summer a development that could put political pressure on county commissioners and threaten planned Hillsborough tax referendums for schools and transportation.

But advocates for the transportation and education measures say they still intend to make the arguments for those measures.

The increase in taxable property values that will show up in millage notices in August is likely to exceed any in the past 10 years, even though that s been a decade of unusually steady increases, said Pinellas Appraiser Mike Twitty, a Republican.

He and Hillsborough Appraiser Bob Henriquez, a Democrat, both said overall values in their counties could increase by 20 percent or more.

Most property owners particularly homestead property owners will be shielded from paying taxes on most of that increase because of statutory limits on the annual increase in taxable value of property. Homestead property can increase by only 3 percent a year in taxable value, and non-homestead property by 10 percent.

But even owners will feel effects, and because of the way Save Our Homes homestead exemptions work, recent and prospective homebuyers will be hit hardest. Taxable values reset to the full market value when property changes hands.

 If you re a new home buyer or renter, you re going to feel the full brunt of this increase, Henriquez said.

Both appraisers noted this will be on top of sharp increases in property insurance hitting now, along with the highest inflation in years.

 I m glad I m not on the ballot this year, Henriquez said.

He and Twitty emphasized that by law, they must appraise property at full market value. The amount of tax owed is then determined by the millage set by taxing authorities commissioners, school boards, city councils and others and by exemptions. A mil is $1 of tax per $1,000 of property value.

Twitty said taxing authorities should consider lowering their millage to prevent tax bills from soaring as values increase, which government officials call a rollback.

Meanwhile, Hillsborough commissioners plan to put a new version of the 1-cent All For Transportation sales surtax on the November ballot, and the Hillsborough School Board is considering asking voters for an extra property tax to help close the district s budget deficit and pay teachers competitive salaries.

The school board hasn t acted, but past staff proposals suggested an extra tax of 50 cents to $1 per $1,000 of property value.

Board Chairman Nadia Combs outlined why political considerations shouldn t derail that idea.

Hillsborough, she said, is 52nd of the state s 67 counties in per-student spending, and the state is 45th in the nation.

Hillsborough is the only one of Florida s five biggest counties that doesn t have a special millage for schools and has the lowest per-student spending of the five, she said. Meanwhile, she said, the state consistently underfunds education.

 It s a sacrifice for people, but it s a sacrifice for something important, our children, she said. The needs are great.

County Commissioner Chairman Kimberly Overman, a Democrat, took a similar stance on the transportation tax.

 A lot of people are not going to be happy with their tax notices, she acknowledged.

But, “We need to invest in our infrastructure. We’re doing everything we can to address smart growth, density and reduce our overall infrastructure cost. We’re bringing the referendum forward so we can help cover the cost of the sprawl that’s taken place over the last 25 years.”

Republican Pinellas Commissioner Kathleen Peters, however, said the coming tax value surge means the commissioners should adopt a rollback tax rate. The idea is to lower the tax rate so it offsets some or all of the property tax increase caused by rising values.

Peters said she’s argued for rollback rates in Pinellas for the past two years but been outvoted, and had bitter disputes with other commissioners when she insisted that leaving tax rates unchanged while taxable values go up is, in effect, a tax increase.

“We’ve raised their water, sewer and garbage rates and gas and groceries are skyrocketing,” she said. Meanwhile, the county and some of its municipalities “are flush with reserves” from COVID-19 stimulus money and tax collections.

“We should not only go back to the rollback rate but perhaps farther,” she said.

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