

Tax Abatement Reporting in Florida

*The Governmental Accounting Standards Board (GASB) is the professional organization that establishes standards of accounting and financial reporting for state and local governments. In 2015, GASB added "[Statement No. 77 on Tax Abatement Disclosures](#)" to its Generally Accepted Accounting Principles (GAAP). GASB 77 requires most state and local governments (including school districts) to report tax abatement programs (if they have such a program/s) in their annual comprehensive financial reports (ACFRs), specifying the **amount of revenue reduced or foregone** as a result of these tax abatements programs. This new rule, GASB 77, allows the public to see how much public-service revenue is lost due to tax breaks given to corporations. This road map highlights key people and organizations involved in the implementation of GASB 77, the reporting status of jurisdictions in the state, and other information relevant to GASB 77 compliance in Florida.*

Who in state government is most likely to influence GASB 77 disclosure? State Auditor General Sherrill Norman (appointed by Legislature in 2015). The [Auditor General](#) "A) adopts rules for financial audits performed by independent certified public accountants of local governmental entities, charter schools, district school boards, and Florida Single Audit Act nonprofit and for-profit organizations, and B) Reviews all audit reports of local governmental entities, charter schools, charter technical career centers, and district school boards submitted pursuant to Section 218.39, Florida Statutes."

Does the state's most recent ACFR include GASB 77 disclosure on state revenue losses?
Yes.

How many counties, municipalities and school districts in the state are required to conform with Generally Accepted Accounting Principles (GAAP) and therefore GASB Statements? According to GASB's [research brief](#) titled "State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting" (2008), all of Florida's 66 counties and 95 independent school districts, along with 374 of its 404 municipalities (30 are exempted because of size) are required by state law to use GAAP accounting.

Is there a state office that collects Annual Comprehensive Financial Reports (ACFRs) from counties/cities/school districts? The State Auditor General's office collects ACFRs from local governments and school districts and [posts them online](#). The Florida Legislature's Office of Economic and Demographic Research conducts an [annual survey](#) of County and Municipal Economic Development Subsidies.

Which state office is responsible for completing state’s ACFR? Florida Department of Financial Services.

Does the state government or do any academic/NGO institutions provide technical assistance on GAAP, GASB, or completing ACFRs? In November 2015, the Auditor General made a [presentation](#) to school officials, and highlighted the upcoming GASB 77 reporting requirements in one slide. In July 2016, the Florida Department of Financial Services hosted its annual training, which included five slides on GASB 77 that included details on what must be included.

Which of the state’s five most populous counties, municipalities, and school districts reported GASB 77 disclosures [in the most recent ACFR available?](#)

Report Tax Abatements	Do Not Report Tax Abatements
City of Tampa	City of Miami
City of Orlando	City of Hialeah
City of St. Petersburg	Miami-Dade County
Broward County	
Palm Beach County	
Hillsborough County	
Orange County	

Who commented on the GASB 77 Exposure Draft from Florida?

Three organizations, one local finance official, and one elected official in Florida submitted GASB 77 comments: [Florida Center for Fiscal and Economic Policy](#) offered broad support and called specifically for inclusion of sales tax diversions. [Brevard County’s Director of Finance Steve Burdett](#) called for disclosure of future year liabilities over the life of abatement agreements. The [Florida Government Finance Officers Association](#) echoed the concerns of national GFOA, arguing that disclosing the costs (lost revenue) without also disclosing benefits (in terms of additional taxes generated) would paint a misleading picture. (Good Jobs First disagreed with GFOA’s position, saying it would constitute double-counting.) Former [State Senator Dwight Bullard \(D\)](#) co-signed a letter with 61 state and local officials in support of GASB 77. The [Funders’ Network](#), a large association of foundations, endorsed the Exposure Draft and expressed special support for the provision calling on school districts to report on lost revenues.

Does state government monitor fiscal stress within county/municipality/school district?

Florida is one of 22 states to have a system for identifying fiscal stress in local governments. The Florida system monitors 13 items, including whether a government’s tax structure is adequate to support its level of services over time. In 2021 Florida’s state auditor [identified five school districts with significant financial weakness](#).

For more information on GASB 77, visit goodjobsfirst.org/tax-abatement-disclosures

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