The Three Meanings of Florida Homestead

TAX SAVINGS, CREDITOR PROTECTION, AND INHERITANCE ARE SEPARATE

In Florida, "homestead" is used for three different protections. Each has its own rules, and a home can qualify for one and not another. Knowing which one a conversation is about avoids some of the most common planning mistakes.

	Property-tax homestead Lowers the taxable value of your home and caps yearly increases.	**Creditor-protection homestead** Protects your home from forced sale by most creditors.	**Inheritance homestead** Limits who can receive the home at your death.
What it does	Up to $50,000 off the assessed value, plus the Save Our Homes cap: assessed value can rise no more than 3% a year, or the change in the Consumer Price Index if lower.	Shields the home from most creditors' claims, including, per Florida's Medicaid Estate Recovery Program, a home that passes to relatives as protected homestead.	If you're survived by a spouse or minor child (under 18), the home can't be freely left by will or revocable trust. With a spouse and no minor child, it can go to the spouse.
Who qualifies	A Florida resident who owns the home and lives there permanently as of January 1. A properly drafted revocable trust can generally keep the exemption.	A home owned by a natural person, not an LLC, and used as the residence of the owner or the owner's family. Size limits: half an acre inside city limits, 160 contiguous acres outside.	A Florida resident owner with a spouse or minor child. Applies whether or not the tax exemption was ever filed.
How you get it	Apply with the county property appraiser by March 1. It isn't automatic.	It comes from the Florida Constitution automatically, with no application.	Automatic under the Florida Constitution and Florida Statutes §§ 732.401 and 732.4015.
What can end it	Moving out, renting the home, a change of ownership such as a sale or an owner's death, or claiming a residence elsewhere.	Selling the home (cash proceeds generally aren't protected the same way), moving out, or ownership by an entity. A properly drafted revocable trust generally keeps it, per Florida appeals courts, though bankruptcy is less settled.	A valid spousal waiver, owning jointly with a spouse, or a lifetime transfer the owner can't revoke (§ 732.4017).
Watch for	Where it's decided: County property appraiser	It doesn't protect against property taxes and assessments, debts for buying, improving, or repairing the home, labor on the property, mortgages, or federal tax liens.	Where it's decided: The probate court, and your attorney when planning

Mia Smith, MBA, NSSA, FPWM | (321) 567-1958 | Estate@OctusFinancial.com | octusestate.com

Educational overview only, not legal or tax advice. Reviewed September 2026.

Quick self-check

Checking these off shows which protections likely apply to your home. An unchecked item is a good topic for your next planning conversation.

Property-tax homestead

- ☐ I've filed for the homestead exemption with my county property appraiser.
- ☐ The home is my permanent residence as of January 1.
- ☐ If I moved from another Florida homestead within the last three years, I filed Form DR-501T.

Creditor-protection homestead

- ☐ The home is owned by me personally or by my revocable trust, not an LLC.
- ☐ The lot is within the size limit: half an acre inside city limits, 160 contiguous acres outside.
- ☐ No part of the property is rented out or used for a business.

Inheritance homestead

- ☐ I know whether a spouse or minor child could survive me.
- ☐ My will or trust leaves the home in a way the inheritance rules allow.
- ☐ If I'm married, my spouse has signed any deed or waiver involving the home.

Mixed-use property, condominiums, mobile homes, and multiple parcels: Your individual circumstances are reviewed on a case-by-case basis.

Common mix-ups

"I have homestead, so my kids can inherit however I want."	The tax exemption says nothing about inheritance. If you have a spouse or minor child, the inheritance rules still apply.
"I never filed for homestead, so the rules don't apply to me."	The inheritance and creditor protections come from the Constitution and can apply without any filing.
"Moving to assisted living doesn't change anything."	Moving out can end the tax exemption and may affect the other two. Each is looked at separately.
"Putting the house in my trust ends my homestead."	A properly drafted revocable trust can generally keep the tax exemption, but it doesn't change the inheritance limits or protect the home from your own creditors.

Moving or downsizing? Florida's portability rule lets you carry up to $500,000 of Save Our Homes savings to a new Florida homestead. File Form DR-501T with your new homestead application by March 1, and establish the new homestead by January 1 of the third year after leaving the old one. If the new home is worth less, a proportional share transfers, and if it's in another county, the new county's property appraiser works with the old one.

A November 2026 ballot measure may change the portability cap, so the current figure is worth confirming.

How the three apply to a particular home, family, and plan: Your individual circumstances are reviewed on a case-by-case basis.

Sources: Florida Constitution, Article VII, Section 4 and Article X, Section 4; Florida Statutes §§ 196.031, 732.401, 732.4015, 732.4017; county property appraiser portability guidance; The Florida Bar, The Revocable Trust in Florida; Schiro v. Elliott (Fla. 2d DCA 2026); Florida Medicaid Estate Recovery Program FAQ. This material is general educational information, not legal or tax advice, and it doesn't create an attorney-client relationship.

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