

TOOL | November 2019

State-by-State Guide to Taxes on Retirees

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FLORIDA

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The Bottom Line

Most Tax-Friendly



The Sunshine State is state is very popular with retirees, not just because of its forgiving climate but also because it has no state income tax. Sales taxes, though, can go as high as 8.5%, depending on where you live. The average combined state and local tax rate is 7.05%, which is about average.

Property taxes are reasonable in Florida, and residents ages 65 and older who meet certain income, property-value and length-of-ownership restrictions can also receive an extra homestead exemption. Any widow or widower who is a Florida resident may claim an additional \$500 exemption as well.

State Sales Tax

6% state levy. Localities can add as much as 2.5%, and the average combined rate is 7.05%, according to the Tax Foundation.

Income Tax Range

There is no state income tax.

Social Security

Benefits are not taxed.

Exemptions for Other Retirement Income

Florida has no income tax.

Property Taxes

In Florida, residents pay an average of \$1,041 in taxes per \$100,000 of assessed home value.

Tax breaks for seniors: Florida residents ages 65 and older who meet certain income limits can receive an extra homestead exemption of up to \$50,000 from some city and county governments and/or an exemption equal to the assessed value of the property, as long as the real estate has a fair market value of less than \$250,000, the homeowner has maintained permanent residence at the location for at least 25 years, and household income does not exceed \$30,174 in 2019. Any widow or widower who is a Florida resident may claim an additional \$500 exemption.

Vehicle Taxes

6% state sales tax is due on the entire purchase price. Additionally, county sales tax (based on where the buyer lives) is due on the first \$5,000 of the purchase price (or on each lease payment).

Inheritance and Estate Taxes

None.

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Retirement Income Calculator ⁱ

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Annual Income ⁱ

\$ 91,918

Current Savings ⁱ

\$ 25,000

Monthly Savings ⁱ

\$ 459

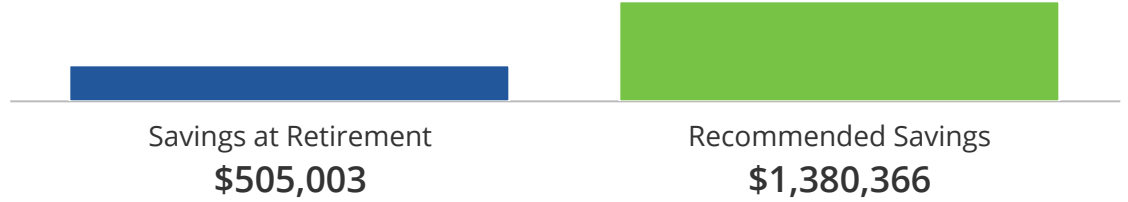
6% of income

Birth Year

1985

We recommend saving **\$1,380,366** at retirement. This will cover **\$131,234** per year in retirement income. *Follow this link to see your 3 financial advisor matches*

Retirement Age ⁱ 66



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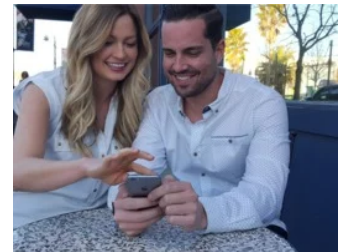
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