



NASSAU COUNTY TAXES & DATA CENTERS

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PURPOSE: Review Nassau County property taxes and
proposed data centers.

BACKGROUND

The leadership of Nassau County and citizens are reviewing two of the most significant decisions faced in many decades:

- How to vote on proposed Amendment 3 – lower ad valorem property taxes, and
- Whether on not to support a proposed data center.

AMENDMENT 3 AND PROPERTY TAXES

First, let's consider Amendment 3.

Nassau County, along with most other counties in Florida, recently experienced dramatic increases in property values. The result: Rising ad valorem taxes and more funds available for governments to spend. Monies handed out during Covid also gave municipalities a boost in spending. There is no argument that Nassau County has grown significantly in recent years. This naturally resulted in a need for more government services.

The primary question is:

**How disciplined are our elected officials and department heads
when spending taxpayer money?**

This is not an easy question to answer.

The following information provided by the State of Florida compares Nassau County with other Florida counties. It's worth considering:



HOW NASSAU COUNTY COMPARES TO 67 COUNTIES IN FLORIDA

CATEGORY	RANK	PERCENTILE
 Per capita government levies	7th of 67	Top 10%
 Per capita municipal government levies	7th of 67	Top 10%
 Per capita school district levies	10th of 67	Top 15%
 Per capita total property tax levies	11th of 67	Top 16%
 Growth in property tax above inflation and population growth 2015-2025	16th of 67	Top 24%



Here is more information that compares Nassau County with other counties in the state:

Florida County Budgets and Population Growth: 2020–2025 vs. Amendment 3			
County	Population Growth 2020–2025	5-Year Budget Growth 2020–2025	Potential Loss if Amendment 3 Passes
Nassau	+18.5%	+88.5%	–10.6%
Brevard	+10.1%	+68.6%	–4.6%
Sarasota	+12.4%	+59.0%	–3.7%
Hillsborough	+7.9%	+55.4%	–3.8%
Pasco	+15.4%	+52.8%	–9.8%
Miami-Dade	+4.2%	+43.4%	–4.7%
Seminole	+5.2%	+31.2%	–11.1%
Clay	+9.3%	+21.6%	–8.4%
Lee	+10.3%	+5.2%	–6.1%
Population growth: University of Florida, Bureau of Economic and Business Research, <i>Florida Estimates of Population 2025</i> (Apr. 1, 2020–Apr. 1, 2025). County budget growth and potential loss: from provided chart (preliminary estimates). Figures have not all been independently verified and are not projected spending cuts.			



In making your decision on how to vote, it is important to have context for how Nassau County’s revenues and expenditures have changed in recent years. The following summary compares actual 2021 and 2025 revenues and spending within the 2026 budget.



NASSAU COUNTY REVENUES & EXPENDITURES

5-Year Change (\$ millions) and 2026 Budget

REVENUES

Category	Fund	2021 (\$ millions)	2025 (\$ millions)	\$ Change (\$ millions)	% Change	Budget 2026 (\$ millions)
Ad Valorem Tax	General Fund	\$67.0	\$97.3	\$30.3	45%	\$91.9
Ad Valorem Tax	General Fund: Debt/Capital	\$0.0	\$0.8	\$0.8	--	\$4.4
Ad Valorem Tax	General Fund: Conservation Fund	\$0.0	\$2.2	\$2.2	--	\$2.4
Ad Valorem Tax	Municipal Service Fund	\$16.0	\$25.1	\$9.1	57%	\$27.5
Ad Valorem Tax	Transportation Service Fund	\$5.8	\$8.8	\$3.0	52%	\$18.4
TOTAL		\$88.8	\$134.2	\$45.4	51%	\$144.6
Sales Taxes		\$18.9	\$27.1	\$8.2	43%	\$25.5
State Revenue Sharing		\$2.7	\$3.9	\$1.2	44%	\$3.5
Fuel Taxes		\$3.5	\$3.6	\$0.1	3%	\$4.3
Other Revenues		\$25.3	\$35.7	\$10.4	41%	\$96.1
TOTAL		\$139.2	\$204.5	\$65.3	47%	\$274.0

EXPENDITURES

Category	2021 (\$ millions)	2025 (\$ millions)	\$ Change (\$ millions)	% Change	Budget 2026 (\$ millions)
Salaries & Benefits	\$37.0	\$55.7	\$18.7	51%	\$64.1
Other	\$80.8	\$152.8	\$72.0	89%	\$209.9
TOTAL	\$117.8	\$208.5	\$90.7	77%	\$274.0



KEY TAKEAWAYS:

- Between 2021 and 2025 receipts from property taxes increased by \$45.4 million or 51%.
- Expenditures increased by \$91 million or 77% between 2021 and 2025.
- Salaries and benefits of \$6.1 million in 2026 are 74% higher than 2021.

It appears obvious that if Amendment 3 passes, Nassau County will face significant challenges in balancing services with reduced revenue. **The flip side is more funds will be available for residents of Nassau County to spend, rather than government deciding how it will be spent.** The State of Florida provided estimates of the impact on all counties if Amendment 3 passes. Nassau County estimates are below:



IMPACT VS. 2026 BUDGET IF AMENDMENT 3 PASSES

Description	\$ Million	% of 2026 total budget
Expected taxpayer savings 1st year 2027-2028	\$30.5	11%
Expected taxpayer savings 2nd year 2028-2029	\$56.8	20%



THE DATA CENTER OPPORTUNITY

Now let's consider what a data center could do for Nassau County.

The roll out of data centers across the nation is currently in full swing and represents the largest infrastructure build-out since the interstate highway system. In the case of interstates, everyone wanted the infrastructure but didn't want it in their back yard.

Communities and counties that qualify for data center infrastructure and turn them away will miss an opportunity to significantly strengthen their property and income tax base. Even with abatement agreements, which counties are using to compete for projects, the positive impacts to residents (lower property taxes, better services, and in most cases lower energy costs) are significant and long-term.



Nationwide there is significant pushback against data centers. Accordingly, negative publicity is being promoted by various organizations; many that are not local. **When you gather information from communities that now have a data center you find a vastly different narrative.**

What you find is the following:

- Loudoun County, Virginia. After data centers were built, homeowners and other businesses saw their property tax rates **reduced** by 40%.
- Richland Parish, Louisiana. Parish revenues increased 400%. Teachers were paid \$50,000 bonuses.
- DeKalb County, Illinois. Meta paid more than \$76 million in taxes over 4 years.
- States report the following benefits from Data Centers:
 - Georgia: Georgia Power announced household power bills for electricity will be cut by \$180 annually starting in 2029.
 - California: PG&E has cut rates 4 times in the past 2 years.
 - Indiana: Michigan Power (I&M) recently proposed a 5% rate reduction plus a 3-year freeze on residential rates.

Know this.....states and counties are in a competitive battle for data centers across the nation.

Estimated spending across the country in 2026 sits at \$700 billion. Nassau County has several very desirable sites. Let's not run off data centers before we hear more. And consider what will happen to our taxes if we fail to land a data center.

Here's a quick list of potential benefits:

- Lower property taxes, more money for residents to spend as they choose
- Very limited demand on schools, safety, infrastructure & other services compared to the amount of taxes paid
- Higher income from sales taxes
- More well-paid jobs, particularly during construction
- A more stable and significant revenue source
- Improved home values without a major tax burden
- Potential for reduced energy costs



QUESTIONS TO CONSIDER

However, there are fair questions that need to be asked and answered. That's what thoughtful leadership is all about. Here are a few:

- How much water and electricity will the project require?
- How many people will be employed during and after construction?
- What roads will be impacted?
- How will noise and air quality be impacted?

The goal is to fully understand the potential costs and benefits for Nassau County.

The goal of political leadership is to take voter concerns seriously while not allowing fear and ignorance to determine our economic future.