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# OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

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Inspector General  
Accredited

## Tangible Personal Property Owned by Local Governments

**Amended Florida Statutes regarding tangible personal property places new requirements on county agencies, municipalities, and special districts.**

On May 25, 2023, Governor Ron DeSantis approved House Bill 487: *Department of Financial Services* (Chapter 2023-144, Laws of Florida). The law amended several statutes under the purview of Florida’s Chief Financial Officer and the Department of Financial Services, including Chapter 274, Florida Statutes (F.S.), *Tangible Personal Property Owned by Local Governments*.

Chapter 274, F.S., provides that a governmental unit is primarily responsible for the supervision and control of its property;<sup>1</sup> may acquire property by purchase or exchange; may classify as surplus its property that is obsolete, the continued use of which is uneconomical or inefficient, or which serves no useful function; and may dispose of surplus property. Florida’s Chief Financial Officer is responsible for establishing the requirements<sup>2</sup> for the recording, the periodic review for inventory purposes, and the disposition of property.

Tangible Assets	
<b>Tangible Assets</b>	<b>Intangible Assets</b>
Equipment	Trademarks
Machinery	Franchises
Buildings	Copyrights
Vehicles	Licenses
Stock	Goodwill
Land	Patents
Cash	Brands
 You Can Touch It	 You Can't Touch It

Ch. 2023-144, L.O.F. amended the definition of a “Governmental Unit” for the purposes of Chapter 274 to include **county agencies, municipalities, and special districts**:

274.01 (1) “Governmental unit” means the governing board, commission, or authority of a county, a county agency, a municipality, a special district as defined in s. 189.012, or taxing district of the state, or the sheriff of the county.

<sup>1</sup> §274.01(3), F.S. defines “property” to mean all tangible personal property, owned by a governmental unit, of a nonconsumable nature.

<sup>2</sup> The rules are set forth in Chapter 69I-73, Florida Administrative Code.

*“Enhancing Public Trust in Government”*



County agencies, municipalities, and special districts must now maintain adequate controls over tangible personal property in accordance with the statute and applicable rules. Properly recording, inventorying, and disposing of tangible personal property increases the likelihood that public assets are safeguarded and improves accountability and the accuracy of the reporting a governmental unit's financial position.

### Recommendations

Local governmental agencies should compare the requirements of Chapter 274, F.S. with their charter provisions, ordinances, policies, and procedures pertaining to tangible personal property. We also recommend seeking guidance from legal counsel regarding any revisions needed to ensure compliance with the law.

Additionally, local governments should train personnel, managers, and/or administrators on the requirements of the statute, especially if they are different than current policies and practices.