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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/14/2011	.	
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	.	
	.	

The Committee on Community Affairs (Wise) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the resolving clause and insert:

That the following amendments to Sections 4 and 6 of Article VII and the creation of Sections 32 and 33 of Article XII of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII
FINANCE AND TAXATION



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13 SECTION 4. Taxation; assessments.—By general law
14 regulations shall be prescribed which shall secure a just
15 valuation of all property for ad valorem taxation, provided:

16 (a) Agricultural land, land producing high water recharge
17 to Florida's aquifers, or land used exclusively for
18 noncommercial recreational purposes may be classified by general
19 law and assessed solely on the basis of character or use.

20 (b) As provided by general law and subject to conditions,
21 limitations, and reasonable definitions specified therein, land
22 used for conservation purposes shall be classified by general
23 law and assessed solely on the basis of character or use.

24 (c) Pursuant to general law tangible personal property held
25 for sale as stock in trade and livestock may be valued for
26 taxation at a specified percentage of its value, may be
27 classified for tax purposes, or may be exempted from taxation.

28 (d) All persons entitled to a homestead exemption under
29 Section 6 ~~of this Article~~ shall have their homestead assessed ~~at~~
30 ~~just value as of January 1 of the year following the effective~~
31 ~~date of this amendment. This assessment shall change only as~~
32 provided in this subsection.

33 (1) Assessments subject to this subsection shall change ~~be~~
34 ~~changed~~ annually on January 1 ~~1st~~ of each year. ~~but those~~
35 ~~changes in assessments~~

36 a. A change in an assessment may ~~shall~~ not exceed the lower
37 of the following:

38 1.a. Three percent ~~(3%)~~ of the assessment for the prior
39 year.

40 2.b. The percent change in the Consumer Price Index for all
41 urban consumers, U.S. City Average, all items 1967=100, or a



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42 successor index reports for the preceding calendar year ~~as~~
43 ~~initially reported by the United States Department of Labor,~~
44 ~~Bureau of Labor Statistics.~~

45 b. Except for changes, additions, reductions, or
46 improvements to homestead property assessed as provided in
47 subsection (d) (5), an assessment may not increase if the just
48 value of the property is less than the just value of the
49 property on the preceding January 1.

50 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

51 (3) After a ~~any~~ change of ownership, as provided by general
52 law, homestead property shall be assessed at just value as of
53 January 1 of the following year, unless the provisions of
54 paragraph (8) apply. Thereafter, the homestead shall be assessed
55 as provided in this subsection.

56 (4) New homestead property shall be assessed at just value
57 as of January 1 ~~1st~~ of the year following the establishment of
58 the homestead, unless the provisions of paragraph (8) apply.
59 That assessment shall ~~only~~ change only as provided in this
60 subsection.

61 (5) Changes, additions, reductions, or improvements to
62 homestead property shall be assessed as provided for by general
63 law. ~~provided,~~ However, after the adjustment for any change,
64 addition, reduction, or improvement, the property shall be
65 assessed as provided in this subsection.

66 (6) In the event of a termination of homestead status, the
67 property shall be assessed as provided by general law.

68 (7) The provisions of this subsection ~~amendment~~ are
69 severable. If a provision ~~any of the provisions~~ of this
70 subsection is ~~amendment shall be~~ held unconstitutional by a ~~any~~



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71 court of competent jurisdiction, the decision of the ~~such~~ court
72 does ~~shall~~ not affect or impair any remaining provisions of this
73 subsection amendment.

74 (8)a. A person who ~~establishes a new homestead as of~~
75 ~~January 1, 2009, or January 1 of any subsequent year and who~~ has
76 received a homestead exemption pursuant to Section 6 ~~of this~~
77 ~~Article~~ as of January 1 of either of the 2 ~~two~~ years immediately
78 preceding the establishment of a ~~the~~ new homestead is entitled
79 to have the new homestead assessed at less than just value. ~~If~~
80 ~~this revision is approved in January of 2008, a person who~~
81 ~~establishes a new homestead as of January 1, 2008, is entitled~~
82 ~~to have the new homestead assessed at less than just value only~~
83 ~~if that person received a homestead exemption on January 1,~~
84 ~~2007.~~ The assessed value of the newly established homestead
85 shall be determined as follows:

86 1. If the just value of the new homestead is greater than
87 or equal to the just value of the prior homestead as of January
88 1 of the year in which the prior homestead was abandoned, the
89 assessed value of the new homestead shall be the just value of
90 the new homestead minus an amount equal to the lesser of
91 \$500,000 or the difference between the just value and the
92 assessed value of the prior homestead as of January 1 of the
93 year in which the prior homestead was abandoned. Thereafter, the
94 homestead shall be assessed as provided in this subsection.

95 2. If the just value of the new homestead is less than the
96 just value of the prior homestead as of January 1 of the year in
97 which the prior homestead was abandoned, the assessed value of
98 the new homestead shall be equal to the just value of the new
99 homestead divided by the just value of the prior homestead and



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100 multiplied by the assessed value of the prior homestead.
101 However, if the difference between the just value of the new
102 homestead and the assessed value of the new homestead calculated
103 pursuant to this sub-subparagraph is greater than \$500,000, the
104 assessed value of the new homestead shall be increased so that
105 the difference between the just value and the assessed value
106 equals \$500,000. Thereafter, the homestead shall be assessed as
107 provided in this subsection.

108 b. By general law and subject to conditions specified
109 therein, the legislature shall provide for application of this
110 paragraph to property owned by more than one person.

111 (e) The legislature may, by general law, for assessment
112 purposes and subject to the provisions of this subsection, allow
113 counties and municipalities to authorize by ordinance that
114 historic property may be assessed solely on the basis of
115 character or use. Such character or use assessment shall apply
116 only to the jurisdiction adopting the ordinance. The
117 requirements for eligible properties must be specified by
118 general law.

119 (f) A county may, in the manner prescribed by general law,
120 provide for a reduction in the assessed value of homestead
121 property to the extent of any increase in the assessed value of
122 that property which results from the construction or
123 reconstruction of the property for the purpose of providing
124 living quarters for one or more natural or adoptive grandparents
125 or parents of the owner of the property or of the owner's spouse
126 if at least one of the grandparents or parents for whom the
127 living quarters are provided is 62 years of age or older. Such a
128 reduction may not exceed the lesser of the following:



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129 (1) The increase in assessed value resulting from
130 construction or reconstruction of the property.

131 (2) Twenty percent of the total assessed value of the
132 property as improved.

133 (g) For all levies other than school district levies,
134 assessments of residential real property, as defined by general
135 law, which contains nine units or fewer and which is not subject
136 to the assessment limitations set forth in subsections (a)
137 through (d) shall change only as provided in this subsection.

138 (1) Assessments subject to this subsection shall be changed
139 annually on the date of assessment provided by law. However, ~~+~~
140 but those changes in assessments may ~~shall~~ not exceed 3 ~~ten~~
141 percent ~~(10%)~~ of the assessment for the prior year. An
142 assessment may not increase if the just value of the property is
143 less than the just value of the property on the preceding date
144 of assessment provided by law.

145 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

146 (3) After a change of ownership or control, as defined by
147 general law, including any change of ownership of a legal entity
148 that owns the property, such property shall be assessed at just
149 value as of the next assessment date. Thereafter, such property
150 shall be assessed as provided in this subsection.

151 (4) Changes, additions, reductions, or improvements to such
152 property shall be assessed as provided for by general law. +
153 However, after the adjustment for any change, addition,
154 reduction, or improvement, the property shall be assessed as
155 provided in this subsection.

156 (h) For all levies other than school district levies,
157 assessments of real property that is not subject to the



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158 assessment limitations set forth in subsections (a) through (d)
159 and (g) shall change only as provided in this subsection.

160 (1) Assessments subject to this subsection shall be changed
161 annually on the date of assessment provided by law. However,
162 ~~but~~ those changes in assessments may ~~shall~~ not exceed 3 ~~ten~~
163 percent ~~(10%)~~ of the assessment for the prior year. An
164 assessment may not increase if the just value of the property is
165 less than the just value of the property on the preceding date
166 of assessment provided by law.

167 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

168 (3) The legislature must provide that such property shall
169 be assessed at just value as of the next assessment date after a
170 qualifying improvement, as defined by general law, is made to
171 such property. Thereafter, such property shall be assessed as
172 provided in this subsection.

173 (4) The legislature may provide that such property shall be
174 assessed at just value as of the next assessment date after a
175 change of ownership or control, as defined by general law,
176 including any change of ownership of the legal entity that owns
177 the property. Thereafter, such property shall be assessed as
178 provided in this subsection.

179 (5) Changes, additions, reductions, or improvements to such
180 property shall be assessed as provided for by general law. +
181 However, after the adjustment for any change, addition,
182 reduction, or improvement, the property shall be assessed as
183 provided in this subsection.

184 (i) The legislature, by general law and subject to
185 conditions specified therein, may prohibit the consideration of
186 the following in the determination of the assessed value of real



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187 property used for residential purposes:

188 (1) Any change or improvement made for the purpose of
189 improving the property's resistance to wind damage.

190 (2) The installation of a renewable energy source device.

191 (j) (1) The assessment of the following working waterfront
192 properties shall be based upon the current use of the property:

193 a. Land used predominantly for commercial fishing purposes.

194 b. Land that is accessible to the public and used for
195 vessel launches into waters that are navigable.

196 c. Marinas and drystacks that are open to the public.

197 d. Water-dependent marine manufacturing facilities,
198 commercial fishing facilities, and marine vessel construction
199 and repair facilities and their support activities.

200 (2) The assessment benefit provided by this subsection is
201 subject to conditions and limitations and reasonable definitions
202 as specified by the legislature by general law.

203 SECTION 6. Homestead exemptions.-

204 (a) Every person who has the legal or equitable title to
205 real estate and maintains thereon the permanent residence of the
206 owner, or another legally or naturally dependent upon the owner,
207 shall be exempt from taxation thereon, except assessments for
208 special benefits, up to the assessed valuation of \$25,000
209 ~~twenty-five thousand dollars~~ and, for all levies other than
210 school district levies, on the assessed valuation greater than
211 \$50,000 ~~fifty thousand dollars~~ and up to \$75,000 ~~seventy-five~~
212 ~~thousand dollars~~, upon establishment of right thereto in the
213 manner prescribed by law. The real estate may be held by legal
214 or equitable title, by the entirety, jointly, in common, as a
215 condominium, or indirectly by stock ownership or membership



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216 representing the owner's or member's proprietary interest in a
217 corporation owning a fee or a leasehold initially in excess of
218 98 ~~ninety-eight~~ years. The exemption shall not apply with
219 respect to any assessment roll until such roll is first
220 determined to be in compliance with the provisions of Section 4
221 by a state agency designated by general law. This exemption is
222 repealed on the effective date of any amendment to this Article
223 which provides for the assessment of homestead property at less
224 than just value.

225 (b) Not more than one exemption shall be allowed any
226 individual or family unit or with respect to any residential
227 unit. No exemption shall exceed the value of the real estate
228 assessable to the owner or, in case of ownership through stock
229 or membership in a corporation, the value of the proportion
230 which the interest in the corporation bears to the assessed
231 value of the property.

232 (c) By general law and subject to conditions specified
233 therein, the legislature may provide to renters, who are
234 permanent residents, ad valorem tax relief on all ad valorem tax
235 levies. Such ad valorem tax relief shall be in the form and
236 amount established by general law.

237 (d) The legislature may, by general law, allow counties or
238 municipalities, for the purpose of their respective tax levies
239 and subject to the provisions of general law, to grant an
240 additional homestead tax exemption not exceeding \$50,000 ~~fifty~~
241 ~~thousand dollars~~ to any person who has the legal or equitable
242 title to real estate and maintains thereon the permanent
243 residence of the owner and who has attained age 65 ~~sixty-five~~
244 and whose household income, as defined by general law, does not



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245 exceed \$20,000 ~~twenty thousand dollars~~. The general law must
246 allow counties and municipalities to grant this additional
247 exemption, within the limits prescribed in this subsection, by
248 ordinance adopted in the manner prescribed by general law, and
249 must provide for the periodic adjustment of the income
250 limitation prescribed in this subsection for changes in the cost
251 of living.

252 (e) Each veteran who is age 65 or older who is partially or
253 totally permanently disabled shall receive a discount from the
254 amount of the ad valorem tax otherwise owed on homestead
255 property the veteran owns and resides in if the disability was
256 combat related, the veteran was a resident of this state at the
257 time of entering the military service of the United States, and
258 the veteran was honorably discharged upon separation from
259 military service. The discount shall be in a percentage equal to
260 the percentage of the veteran's permanent, service-connected
261 disability as determined by the United States Department of
262 Veterans Affairs. To qualify for the discount granted by this
263 subsection, an applicant must submit to the county property
264 appraiser, by March 1, proof of residency at the time of
265 entering military service, an official letter from the United
266 States Department of Veterans Affairs stating the percentage of
267 the veteran's service-connected disability and such evidence
268 that reasonably identifies the disability as combat related, and
269 a copy of the veteran's honorable discharge. If the property
270 appraiser denies the request for a discount, the appraiser must
271 notify the applicant in writing of the reasons for the denial,
272 and the veteran may reapply. The legislature may, by general
273 law, waive the annual application requirement in subsequent



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274 years. This subsection shall take effect December 7, 2006, is
275 self-executing, and does not require implementing legislation.

276 (f) As provided by general law and subject to conditions
277 specified therein, every person who establishes the right to
278 receive the homestead exemption provided in subsection (a)
279 within 1 year after purchasing the homestead property and who
280 has not owned property in the previous 3 calendar years to which
281 the homestead exemption provided in subsection (a) applied is
282 entitled to an additional homestead exemption in an amount equal
283 to 50 percent of the homestead property's just value on January
284 1 of the year the homestead is established for all levies other
285 than school district levies. The additional exemption shall
286 apply for a period of 5 years or until the year the property is
287 sold, whichever occurs first. The amount of the additional
288 exemption shall not exceed \$200,000 and shall be reduced in each
289 subsequent year by an amount equal to 20 percent of the amount
290 of the additional exemption received in the year the homestead
291 was established or by an amount equal to the difference between
292 the just value of the property and the assessed value of the
293 property determined under Section 4(d), whichever is greater.
294 Not more than one exemption provided under this subsection shall
295 be allowed per homestead property. The additional exemption
296 shall apply to property purchased on or after January 1, 2012,
297 but shall not be available in the sixth and subsequent years
298 after the additional exemption is first received.

299 ARTICLE XII

300 SCHEDULE

301 SECTION 32. Property assessments.—This section and the
302 amendment of Section 4 of Article VII protecting homestead



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303 property having a declining just value and reducing the limit on
304 the maximum annual increase in the assessed value of
305 nonhomestead property from 10 percent to 3 percent shall take
306 effect January 1, 2013.

307 SECTION 33. Additional homestead exemption for owners of
308 homestead property who recently have not owned homestead
309 property.—This section and the amendment to Section 6 of Article
310 VII providing for an additional homestead exemption for owners
311 of homestead property who have not owned homestead property
312 during the 3 calendar years immediately preceding purchase of
313 the current homestead property shall take effect January 1,
314 2013, and the additional homestead exemption shall be available
315 for properties purchased on or after January 1, 2012.

316 BE IT FURTHER RESOLVED that the following statement be
317 placed on the ballot:

318 CONSTITUTIONAL AMENDMENT

319 ARTICLE VII, SECTIONS 4, 6

320 ARTICLE XII, SECTIONS 32, 33

321 PROPERTY ASSESSMENT; HOMESTEAD VALUE DECLINE; NONHOMESTEAD
322 INCREASE LIMITATION REDUCTION; ADDITIONAL HOMESTEAD EXEMPTION.—

323 (1) In certain circumstances, the law requires the assessed
324 value of homestead property to increase when the just value of
325 the property decreases. Therefore, this amendment provides that
326 the assessed value of homestead property will not increase if
327 the just value of that property decreases and provides an
328 effective date of January 1, 2013.

329 (2) This amendment reduces from 10 percent to 3 percent the
330 limitation on annual increases in assessments of nonhomestead
331 real property and provides an effective date of January 1, 2013.



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332 (3) This amendment also provides owners of homestead
333 property who have not owned homestead property during the 3
334 calendar years immediately preceding purchase of the current
335 homestead property with an additional homestead exemption equal
336 to 50 percent of the property's just value in the first year for
337 all levies other than school district levies, limited to
338 \$200,000; applies the additional exemption for the shorter of 5
339 years or the year of sale of the property; reduces the amount of
340 the additional exemption in each succeeding year for 5 years by
341 the greater of 20 percent of the amount of the initial
342 additional exemption or the difference between the just value
343 and the assessed value of the property; limits the additional
344 exemption to one per homestead property; limits the additional
345 exemption to properties purchased on or after January 1, 2012;
346 prohibits availability of the additional exemption in the sixth
347 and subsequent years after the additional exemption is granted;
348 and provides for the amendment to take effect January 1, 2013,
349 and apply to properties purchased on or after January 1, 2012.

350
351 ===== T I T L E A M E N D M E N T =====

352 And the title is amended as follows:

353 Delete everything before the resolving clause
354 and insert:

355 Senate Joint Resolution
356 A joint resolution proposing amendments to Sections 4
357 and 6 of Article VII and the creation of Sections 32
358 and 33 of Article XII of the State Constitution to
359 prohibit increases in the assessed value of homestead
360 property if the just value of the property decreases,



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361 reduce the limitation on annual assessment increases
362 applicable to nonhomestead real property, provide an
363 additional homestead exemption for owners of homestead
364 property who have not owned homestead property for a
365 specified time before purchase of the current
366 homestead property, and application and limitations
367 with respect thereto, and provide effective dates.