

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
2 Representative Metz offered the following:

3
4 **Amendment (with title amendment)**

5 Remove everything after the enacting clause and insert:

6 Section 1. Section 196.1955, Florida Statutes, is created
7 to read:

8 196.1955 Preparing property for educational, literary,
9 scientific, religious, or charitable use.-

10 (1) Property owned by an exempt organization is used for an
11 exempt purpose if the owner has taken affirmative steps to
12 prepare the property for an exempt educational, literary,
13 scientific, religious, or charitable use and no portion of the
14 property is being used for a nonexempt purpose. The term
15 "affirmative steps" means environmental or land use permitting
16 activities, creation of architectural plans or schematic
17 drawings, land clearing or site preparation, construction or

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18 renovation activities, or other similar activities that
19 demonstrate a commitment to prepare the property for an exempt
20 use.

21 (2) If property owned by an organization granted an
22 exemption under this section is transferred for a purpose other
23 than an exempt use or is not in actual exempt use within 5 years
24 after the date the organization is granted an exemption, the
25 property appraiser making such determination shall serve upon
26 the organization that received the exemption a notice of intent
27 to record in the public records of the county a notice of tax
28 lien against any property owned by that organization in the
29 county, and such property must be identified in the notice of
30 tax lien. The organization owning such property is subject to
31 the taxes otherwise due and owing as a result of the failure to
32 use the property in an exempt manner plus 15 percent interest
33 per annum.

34 (a) The lien, when filed, attaches to any property
35 identified in the notice of tax lien owned by the organization
36 that received the exemption. If the organization no longer owns
37 property in the county but owns property in any other county in
38 the state, the property appraiser shall record in each such
39 county a notice of tax lien identifying the property owned by
40 the organization in each respective county, which shall become a
41 lien against the identified property.

42 (b) Before such lien may be filed, the organization so
43 notified must be given 30 days to pay the taxes and interest.

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44 (c) If an exemption is improperly granted as a result of a
45 clerical mistake or an omission by the property appraiser, the
46 organization improperly receiving the exemption may not be
47 assessed interest.

48 (d) The 5-year limitation specified in this subsection may
49 be extended if the holder of the exemption continues to take
50 affirmative steps to develop the property for the purposes
51 specified in this subsection.

52
53 Section 2. Subsections (3), (4), and (5) of section
54 196.196, Florida Statutes, are amended to read:

55 196.196 Determining whether property is entitled to
56 charitable, religious, scientific, or literary exemption.—

57 ~~(3) Property owned by an exempt organization is used for a~~
58 ~~religious purpose if the institution has taken affirmative steps~~
59 ~~to prepare the property for use as a house of public worship.~~
60 ~~The term "affirmative steps" means environmental or land use~~
61 ~~permitting activities, creation of architectural plans or~~
62 ~~schematic drawings, land clearing or site preparation,~~
63 ~~construction or renovation activities, or other similar~~
64 ~~activities that demonstrate a commitment of the property to a~~
65 ~~religious use as a house of public worship. For purposes of this~~
66 ~~subsection, the term "public worship" means religious worship~~
67 ~~services and those other activities that are incidental to~~
68 ~~religious worship services, such as educational activities,~~
69 ~~parking, recreation, partaking of meals, and fellowship.~~

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70 ~~(4)~~ (3) Except as otherwise provided in this section
71 ~~herein~~, property claimed as exempt for literary, scientific,
72 religious, or charitable purposes which is used for profitmaking
73 purposes is ~~shall be~~ subject to ad valorem taxation. Use of
74 property for functions not requiring a business or occupational
75 license conducted by the organization at its primary residence,
76 the revenue of which is used wholly for exempt purposes, is not
77 ~~shall not be~~ considered profitmaking ~~profit making~~. In this
78 connection the playing of bingo on such property is ~~shall not be~~
79 considered as using such property in such a manner as would
80 impair its exempt status.

81 ~~(5) (a) Property owned by an exempt organization qualified~~
82 ~~as charitable under s. 501(c) (3) of the Internal Revenue Code is~~
83 ~~used for a charitable purpose if the organization has taken~~
84 ~~affirmative steps to prepare the property to provide affordable~~
85 ~~housing to persons or families that meet the extremely-low-~~
86 ~~income, very-low-income, low-income, or moderate-income limits,~~
87 ~~as specified in s. 420.0004. The term "affirmative steps" means~~
88 ~~environmental or land use permitting activities, creation of~~
89 ~~architectural plans or schematic drawings, land clearing or site~~
90 ~~preparation, construction or renovation activities, or other~~
91 ~~similar activities that demonstrate a commitment of the property~~
92 ~~to providing affordable housing.~~

93 ~~— (b)1. If property owned by an organization granted an~~
94 ~~exemption under this subsection is transferred for a purpose~~
95 ~~other than directly providing affordable homeownership or rental~~

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96 ~~housing to persons or families who meet the extremely low-~~
97 ~~income, very low income, low income, or moderate income limits,~~
98 ~~as specified in s. 420.0004, or is not in actual use to provide~~
99 ~~such affordable housing within 5 years after the date the~~
100 ~~organization is granted the exemption, the property appraiser~~
101 ~~making such determination shall serve upon the organization that~~
102 ~~illegally or improperly received the exemption a notice of~~
103 ~~intent to record in the public records of the county a notice of~~
104 ~~tax lien against any property owned by that organization in the~~
105 ~~county, and such property shall be identified in the notice of~~
106 ~~tax lien. The organization owning such property is subject to~~
107 ~~the taxes otherwise due and owing as a result of the failure to~~
108 ~~use the property to provide affordable housing plus 15 percent~~
109 ~~interest per annum and a penalty of 50 percent of the taxes~~
110 ~~owed.~~

111 ~~—— 2. Such lien, when filed, attaches to any property~~
112 ~~identified in the notice of tax lien owned by the organization~~
113 ~~that illegally or improperly received the exemption. If such~~
114 ~~organization no longer owns property in the county but owns~~
115 ~~property in any other county in the state, the property~~
116 ~~appraiser shall record in each such other county a notice of tax~~
117 ~~lien identifying the property owned by such organization in such~~
118 ~~county which shall become a lien against the identified~~
119 ~~property. Before any such lien may be filed, the organization so~~
120 ~~notified must be given 30 days to pay the taxes, penalties, and~~
121 ~~interest.~~

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122 ~~3. If an exemption is improperly granted as a result of a~~
123 ~~clerical mistake or an omission by the property appraiser, the~~
124 ~~organization improperly receiving the exemption shall not be~~
125 ~~assessed a penalty or interest.~~

126 ~~4. The 5-year limitation specified in this subsection may~~
127 ~~be extended if the holder of the exemption continues to take~~
128 ~~affirmative steps to develop the property for the purposes~~
129 ~~specified in this subsection.~~

130

131 Section 3. Section 196.198, Florida Statutes, is amended
132 to read:

133 196.198 Educational property exemption.—

134 (1) Educational institutions within this state and their
135 property used by them or by any other exempt entity or
136 educational institution exclusively for educational purposes are
137 exempt from taxation.

138 (a) Sheltered workshops providing rehabilitation and
139 retraining of individuals who have disabilities and exempted by
140 a certificate under s. (d) of the federal Fair Labor Standards
141 Act of 1938, as amended, are declared wholly educational in
142 purpose and are exempt from certification, accreditation, and
143 membership requirements set forth in s. 196.012.

144 (b) Those portions of property of college fraternities and
145 sororities certified by the president of the college or
146 university to the appropriate property appraiser as being

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147 essential to the educational process are exempt from ad valorem
148 taxation.

149 (c) The use of property by public fairs and expositions
150 chartered by chapter 616 is presumed to be an educational use of
151 such property and is exempt from ad valorem taxation to the
152 extent of such use.

153 (2) Property used exclusively for educational purposes
154 shall be deemed owned by an educational institution if the
155 entity owning 100 percent of the educational institution is
156 owned by the identical persons who own the property, or if the
157 entity owning 100 percent of the educational institution and the
158 entity owning the property are owned by the identical natural
159 persons.

160 (a) Land, buildings, and other improvements to real
161 property used exclusively for educational purposes shall be
162 deemed owned by an educational institution if the entity owning
163 100 percent of the land is a nonprofit entity and the land is
164 used, under a ground lease or other contractual arrangement, by
165 an educational institution that owns the buildings and other
166 improvements to the real property, is a nonprofit entity under
167 s. 501(c)(3) of the Internal Revenue Code, and provides
168 education limited to students in prekindergarten through grade
169 8.

170 (b) If legal title to property is held by a governmental
171 agency that leases the property to a lessee, the property shall
172 be deemed to be owned by the governmental agency and used

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173 exclusively for educational purposes if the governmental agency
174 continues to use such property exclusively for educational
175 purposes pursuant to a sublease or other contractual agreement
176 with that lessee.

177 (c) If the title to land is held by the trustee of an
178 irrevocable inter vivos trust and if the trust grantor owns 100
179 percent of the entity that owns an educational institution that
180 is using the land exclusively for educational purposes, the land
181 is deemed to be property owned by the educational institution
182 for purposes of this exemption. ~~Property owned by an educational~~
183 ~~institution shall be deemed to be used for an educational~~
184 ~~purpose if the institution has taken affirmative steps to~~
185 ~~prepare the property for educational use. The term "affirmative~~
186 ~~steps" means environmental or land use permitting activities,~~
187 ~~creation of architectural plans or schematic drawings, land~~
188 ~~clearing or site preparation, construction or renovation~~
189 ~~activities, or other similar activities that demonstrate~~
190 ~~commitment of the property to an educational use.~~

191
192
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194 -----
195 **T I T L E A M E N D M E N T**

196 Remove everything before the enacting clause and insert:
197 An act relating to charitable property exempt from ad valorem
198 taxation; creating s. 196.1955, F.S.; consolidating provisions

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199 relating to obtaining a charitable ad valorem exemption for
200 property owned by an exempt organization, including the
201 requirement that the owner of an exempt organization take
202 affirmative steps to demonstrate an exempt use; authorizing the
203 property appraiser to serve a notice of tax lien on exempt
204 property that is not in actual exempt use after a certain time;
205 providing that the lien attaches to any property owned by the
206 organization identified in the notice of lien; amending s.
207 196.196, F.S.; deleting provisions relating to the charitable
208 exemption as it applies to public worship and affordable housing
209 and provisions that have been moved to s. 196.1955, F.S.;
210 amending s. 196.198, F.S.; deleting provisions relating to
211 property owned by an educational institution and used for an
212 educational purpose that is included in s. 196.1955, F.S.;
213 providing an effective date.