

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HJR 53 Ad Valorem Property Tax Exemption for the Surviving Spouse of Quadriplegics

**SPONSOR(S):** Tant

**TIED BILLS:** HB 55 **IDEN./SIM. BILLS:** SJR 618

<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR or BUDGET/POLICY CHIEF</b>
1) Ways & Means Committee	24 Y, 0 N	Rexford	Aldridge
2) Local Administration, Federal Affairs & Special Districts Subcommittee	15 Y, 0 N	Mwakyanjala	Darden
3) State Affairs Committee			

**SUMMARY ANALYSIS**

Ad valorem taxes are annual taxes levied by counties, cities, school districts and certain special districts. These taxes are based on the just value of real and tangible personal property as determined by county property appraisers on January 1 of each year.

Article VII, Section 3 of the Florida Constitution provides for specific exemptions from property taxes for widows and widowers, blind persons, and persons who are totally and permanently disabled. Accordingly, section 196.101(1), Florida Statutes, allows homestead property owned and used by quadriplegics and certain other disabled persons to be exempt from ad valorem taxes. This exemption currently does not carry over to the surviving spouse of a quadriplegic or other disabled person if the quadriplegic or other disabled person predeceases his or her spouse.

The Florida Constitution prescribes various instances where a property tax exemption carries over to a surviving spouse, such as the exemption for surviving spouses of partially or permanently disabled veterans over the age of sixty-five and the exemption for surviving spouses of a first responder who died in the line of duty.

The joint resolution proposes an amendment to Article VII, Section 6 of the Florida Constitution to allow the ad valorem tax exemption received by a quadriplegic to carry over to his or her surviving spouse if the quadriplegic person predeceases his or her spouse.

The Revenue Estimating Conference estimated that the joint resolution has no impact on state and local government revenues because the joint resolution is not self-executing.

Subject to approval by 60 percent of voters during the 2024 general election or earlier special election, the amendment proposed in the joint resolution will take effect on January 1, 2025. The joint resolution is not subject to the governor’s veto powers.

**A joint resolution proposing an amendment to the Florida Constitution must be passed by three-fifths of the membership of each house of the Legislature.**

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Current Situation

##### Property Taxes in Florida

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.<sup>1</sup> The ad valorem tax is an annual tax levied by counties, municipalities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.<sup>2</sup> The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,<sup>3</sup> and it provides for specified assessment limitations, property classifications, and exemptions.<sup>4</sup> After the property appraiser considers any assessment limitation or use classification affecting the just value of a property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.<sup>5</sup>

##### Exemptions

Article VII, Section 6 of the Florida Constitution provides that every person who owns real estate with legal and equitable title, and maintains their permanent residence or the permanent residence of their dependent upon such real estate, is eligible for a \$25,000 homestead tax exemption applicable to all ad valorem tax levies including school district levies. An additional \$25,000 homestead exemption applies to homesteads that have an assessed value greater than \$50,000 and up to \$75,000, excluding school district levies.

The Florida Constitution also creates specific ad valorem exemptions. For example, Article VII, Section 3 of the Florida Constitution provides for specific exemptions from property taxes for widows and widowers, blind persons, and persons who are totally and permanently disabled.

There are a handful of instances in the Florida Constitution where a property tax exemption granted by way of one spouse's status or condition carries over to their surviving spouse upon death. Some examples include the exemption for surviving spouses of partially or permanently disabled veterans over the age of sixty-five<sup>6</sup> and the exemption for surviving spouses of a first responder who died in the line of duty.<sup>7</sup>

##### Exemptions for Quadriplegics and Other Disabled Persons

Under current law, homestead property used and owned by a quadriplegic person is totally exempt from property taxes.<sup>8</sup> Paraplegic, hemiplegic, and other disabled persons<sup>9</sup> with a certain gross household income can also receive a total exemption.<sup>10</sup> To be eligible for the exemption, the disabled person must provide proof of their disability to the property appraiser in the county where the

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<sup>1</sup> Art. VII, s. 1(a), Fla. Const.

<sup>2</sup> S. 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. S. 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b), Fla. Const., and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

<sup>3</sup> Art. VII, s. 4, Fla. Const.

<sup>4</sup> Art. VII, ss. 3, 4, and 6, Fla. Const.

<sup>5</sup> S. 196.031, F.S.

<sup>6</sup> Art. VII, s. 6(e)(2), Fla. Const.

<sup>7</sup> Art. VII, s. 6(f)(2), Fla. Const.

<sup>8</sup> S. 196.101(1), F.S.

<sup>9</sup> Other disabled persons include, a person who must use a wheelchair for mobility or a person who is legally blind. S. 196.101(2), F.S.

<sup>10</sup> S. 196.101(2), F.S.

homestead property is located.<sup>11</sup> Proof can be in the form of a certification from two doctors licensed in Florida or a certification from the United States Department of Veterans Affairs.<sup>12</sup> Currently, this property tax exemption does not carry over to the surviving spouse of the disabled person when the disabled person predeceases his or her spouse.

### **Effect of Proposed Changes**

The joint resolution amends Article VII, Section 6, of the Florida Constitution, to authorize the Legislature to allow the homestead property tax exemption for homestead property used and owned by a quadriplegic person to carry over to his or her surviving spouse if the quadriplegic person predeceases his or her spouse. Approving the joint resolution would place the amendment on the ballot during either the 2024 general election or an earlier special election held for the purpose of proposing this amendment to the voters.<sup>13</sup> Pending voter approval, the amendment will take effect on January 1, 2025.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

Article XI, Section 5(d) of the Florida Constitution requires publication of a proposed amendment in a newspaper of general circulation in each county. The Division of Elections within the Department of State must advertise the full text of the amendment twice in a newspaper of general circulation in each county where the amendment will appear on the ballot. The Division must also provide each supervisor of elections with either booklets or posters displaying the full text of each proposed amendment.

### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

The Revenue Estimating Conference estimated that the joint resolution has no impact on state and local government revenues because the joint resolution is not self-executing.<sup>14</sup>

2. Expenditures:

None.

### **C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None, because the amendment proposed by the joint resolution is subject to voter approval and is not self-executing.

### **D. FISCAL COMMENTS:**

None.

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<sup>11</sup> S. 196.101(3), F.S.

<sup>12</sup> S. 196.101(3), F.S.

<sup>13</sup> Pursuant to art. XI, s. 5 of the Florida Constitution, placing the joint resolution on a special election ballot would require the legislature to pass a general law by three-fifths vote of each house.

<sup>14</sup> Revenue Estimate Conference, *Tax Exemption for Surviving Spouse of Quadriplegics*,

<http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2024/pdf/page6-8.pdf> (last visited Jan. 13, 2024).

### III. COMMENTS

#### A. CONSTITUTIONAL ISSUES:

##### 1. Applicability of Municipality/County Mandates Provision:

Not applicable. The mandates provision applies only to a general law, not to a joint resolution proposing to amend the state Constitution.

##### 2. Other:

None.

#### B. RULE-MAKING AUTHORITY:

None.

#### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.