

By Senator Bronson

18-494A-98

1                                   A bill to be entitled  
2           An act relating to ad valorem tax assessment;  
3           amending s. 193.461, F.S.; specifying the types  
4           of additional use factors that the property  
5           appraiser may consider in assessing  
6           agricultural land; providing that the property  
7           appraiser, when utilizing the income  
8           methodology approach, shall rely on 5-year  
9           moving average data for assessment; providing  
10          an effective date.

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12           WHEREAS, it has been the declared policy of this state  
13          to conserve and protect and to encourage the development and  
14          improvement of its agricultural lands for the production of  
15          food and other agricultural products, and

16           WHEREAS, the Legislature declares that the economic and  
17          environmental future of this state is enhanced by a tax policy  
18          that encourages sustainable agricultural use of its lands, and

19           WHEREAS, Article VII, section 4(a) of the Florida  
20          Constitution provides that agricultural land may be classified  
21          by general law and assessed solely on the basis of character  
22          or use, and

23           WHEREAS, to assist in implementing such policies, the  
24          Legislature, pursuant to the Constitution of the State of  
25          Florida, has enacted section 193.461, Florida Statutes, the  
26          classified use assessment law, generally known as the  
27          "Greenbelt Law," which for assessment purposes values lands in  
28          bona fide agricultural use according to income typically  
29          produced on such properties, and

30           WHEREAS, the Greenbelt Law discourages pressures to  
31          otherwise develop such land in indiscriminate manners that

1 often result in higher costs for public services, such as  
2 urban sprawl, while encouraging agricultural uses that often  
3 result in wildlife habitat and other benefits of green space,  
4 and

5 WHEREAS, two of the district courts of appeal of this  
6 state have issued rulings that have resulted in unpredictable  
7 upturns and downturns in lawful greenbelt assessments by  
8 county property appraisers, resulting in Florida's  
9 agricultural community requesting legislative relief, and

10 WHEREAS, the Legislature recognizes that agricultural  
11 commodities are grown under potentially severe and  
12 catastrophic conditions due to weather, invasive pests and  
13 disease, world market conditions, and other factors beyond the  
14 growers' control, and that these situations affect the value  
15 of the land where these commodities are grown, and

16 WHEREAS, value determinations made by property  
17 appraisers on agricultural lands should include typical risks  
18 present to the respective agricultural uses, and

19 WHEREAS, it is the intent of the Legislature that the  
20 property appraiser be able to use, when appropriate, data that  
21 reflect the typical risks present in standard practices of  
22 agricultural use and production, and

23 WHEREAS, the Commissioner of Agriculture appointed a  
24 greenbelt advisory task force, which included representatives  
25 from the agricultural community, county property appraisers,  
26 and the Department of Revenue, and which examined the entire  
27 Greenbelt Law and recommended only one amendment, that being a  
28 unanimous recommendation for the use of a 5-year moving  
29 average to calculate agricultural assessments, NOW, THEREFORE,

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31 Be It Enacted by the Legislature of the State of Florida:

1           Section 1. Subsection (6) of section 193.461, Florida  
2 Statutes, is amended to read:

3           193.461 Agricultural lands; classification and  
4 assessment.--

5           (6)(a) In years in which proper application for  
6 agricultural assessment has been made and granted pursuant to  
7 this section, the assessment of land shall be based solely on  
8 its agricultural use. The property appraiser shall consider  
9 the following use factors only:

10           1. The quantity and size of the property;

11           2. The condition of the property;

12           3. The present market value of the property as  
13 agricultural land;

14           4. The income produced by the property;

15           5. The productivity of land in its present use;

16           6. The economic merchantability of the agricultural  
17 product; and

18           7. Such other agricultural factors as are ~~may from~~  
19 ~~time to time become~~ applicable and reflective of the standard  
20 practices of agricultural use and production.

21           (b) Notwithstanding any provisions relating to annual  
22 assessment in s. 192.042, the property appraiser shall rely on  
23 5-year moving average data when using the income methodology  
24 approach in assessing property used for agricultural purposes.

25           (c)~~(b)~~ In years in which proper application for  
26 agricultural assessment has not been made, the land shall be  
27 assessed under the provisions of s. 193.011.

28           Section 2. This act shall take effect upon becoming  
29 law, and shall first apply to assessments effective January 1,  
30 1999.

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SENATE SUMMARY

Provides that the property appraiser, when considering data applicable to an agricultural assessment using the income methodology approach, must rely on 5-year moving average data for the assessment of all lands classified as agricultural.