

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1168

SPONSOR: Regulated Industries Committee and Senator Bronson

SUBJECT: Condominium/Taxes

DATE: March 11, 1999 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Wiehle</u>	<u>Guthrie</u>	<u>RI</u>	<u>Favorable/CS</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

## I. Summary:

The bill requires that when a declaration of condominium is recorded, a certificate must be filed with the clerk of the circuit court showing that taxes on the property have been paid. The bill amends s. 468.4315, F.S., to provide the Regulatory Council of Community Association Managers the authority to adopt rules on continuing education providers.

The bill substantially amends section 718.105 of the Florida Statutes.

## II. Present Situation:

Condominiums are created by recording a declaration of condominium with the clerk of the circuit court in the county where the land is located. The declaration must contain certain information relating to the condominium. Prior to the sale by a developer of a unit in a residential condominium that contains more than 20 units, a copy of a prospectus or offering circular must be provided to the prospective buyer. Then when units are sold, either by the developer or by a subsequent owner, certain disclosures must be made. None of these disclosures relates to taxes.

Reportedly, there are instances where developers fails to pay taxes on condominium property during the time the condominium building is under development. When units are then sold, the buyers become liable for these unpaid taxes. This results in economic harm to both the unit buyers and the local government, which may not receive the total amount of taxes owed.

Section 468.4315, F.S., creates the Regulatory Council of Community Association Managers to oversee licensing, continuing education, and professional standards and discipline for such managers. The section authorizes the council to adopt rules relating to the licensure examination, continuing education requirements, fees, and professional practice standards to assist the department in carrying out the duties and authorities conferred upon the department by this part.

**III. Effect of Proposed Changes:**

The bill requires that when a declaration of condominium is recorded, a certificate must be filed with the clerk of the circuit court showing that taxes on the property have been paid.

The bill amends s. 468.4315, F.S., to provide the Regulatory Council of Community Association Managers the authority to adopt rules on continuing education providers.

The bill takes effect July 1, 1999.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Economic Impact and Fiscal Note:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Condominium unit buyers will receive notice of whether taxes have been paid and will be able to avoid liability for unpaid taxes.

**C. Government Sector Impact:**

Local governments may receive more of the taxes owed to them.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

---

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

---