

STORAGE NAME: h1885.rpp

DATE: March 27, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
REAL PROPERTY & PROBATE
ANALYSIS**

BILL #: HB 1885

RELATING TO: Florida Taxpayer's Bill of Rights

SPONSOR(S): Representative Maygarden

TIED BILL(S): none

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) REAL PROPERTY & PROBATE
 - (2) GOVERNMENTAL RULES & REGULATIONS
 - (3) FINANCE & TAXATION
 - (4)
 - (5)
-

I. SUMMARY:

This bill creates a Florida Taxpayer's Bill of Rights for property taxes and assessments. This bill specifically provides that this bill of rights "compiles, in one document, brief but comprehensive statements that summarize the rights and obligations" of government and taxpayers. This bill provides that rights set forth in the Bill of Rights "are available only insofar as they are implemented in other parts of the Florida Statutes or rules of the Department of Revenue."

This bill does not appear to have a fiscal impact on state or local government.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Government and taxpayers have certain rights and obligations under tax laws regarding property tax assessment and collection, which rights and responsibilities are found throughout the tax codes.

The Florida Constitution requires the legislature to "prescribe and adopt" a taxpayers' bill of rights.¹ There is a Florida Taxpayer's Bill of Rights at s. 213.015, F.S., but that Bill of Rights does not specifically refer to taxpayer rights regarding property tax assessment and collections.

C. EFFECT OF PROPOSED CHANGES:

This bill creates a Florida Taxpayer's Bill of Rights for property taxes and assessments. This bill specifically provides that this bill of rights "compiles, in one document, brief but comprehensive statements that summarize the rights and obligations" of government and taxpayers. This bill provides that rights set forth in the Bill of Rights "are available only insofar as they are implemented in other parts of the Florida Statutes or rules of the Department of Revenue."

There are numerous inaccuracies in the cross-references set forth in this bill. An amendment will be filed by the sponsor to correct the cross-references.

D. SECTION-BY-SECTION ANALYSIS:

See "Present Situation" and "Effect of Proposed Changes".

¹ Art. I, s. 25, Fla.Const.

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III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

none

2. Expenditures:

none

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

none

2. Expenditures:

none

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

none

D. FISCAL COMMENTS:

none

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

none

B. RULE-MAKING AUTHORITY:

none

C. OTHER COMMENTS:

This bill is similar to SB 1918.

This bill was drafted by the Ad Valorem Tax Task Force of Florida TaxWatch, Inc. Their explanation of the need for this bill is:²

Florida TaxWatch created the Ad Valorem Tax Task Force to examine the myriad laws and regulations governing property taxation in Florida to determine if taxpayer rights and responsibilities are adequate, reasonable and sufficiently explained.

The Task Force concluded that the basic system is a good one and contains many worthwhile taxpayers safeguards. However, the law is complex and confusing. The establishment of a bill of rights would help remedy this and is the logical first step in ensuring the rights of taxpayers are adequate and protected.

The law governing ad valorem taxation is long and complex, covering six chapters in the *Florida Statutes*, and is difficult for the lay person to navigate. It is becoming longer and more complex with each legislative session. Much of it was written long ago and parts might be outdated or even unnecessary.

The Task Force recommends the enactment of an Ad Valorem Taxpayers Bill of Rights to codify the rights available to taxpayers in one statutory location in plain, understandable language. ***Although there are certainly areas that could be improved, the proposed bill of rights would make no substantive changes to current law.***

The Bill of Rights was organized into three main sections: 1) Right to know; 2) Right to due process; and 3) Right to redress. There also is a fourth section dealing with confidentiality of taxpayer information.

The preamble was modeled directly after the general Taxpayer Bill of Rights (Section 213.105, F.S.) with modifications to make it applicable to property taxes.

The Task Force recommends that the Florida Department of Revenue produce a taxpayer information pamphlet to be made available to property appraisers and other outlets for distribution to the public. The pamphlet should include information such as summary of rights, important dates, frequently asked questions and who to contact for various property tax related information. [emphasis added]

² Report by The Florida TaxWatch Ad Valorem Tax Task Force, undated but received by the Committee on Real Property & Probate on March 21, 2000.

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VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON REAL PROPERTY & PROBATE:

Prepared by:

Staff Director:

Nathan L. Bond, J.D.

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