

By Senator Carlton

24-581A-01

1                                   A bill to be entitled  
2           An act relating to ad valorem tax  
3           administration; amending s. 195.096, F.S.;  
4           requiring the Department of Revenue to document  
5           and retain records used in the review of  
6           assessment rolls; amending s. 195.096, F.S.,  
7           effective for the 2003 tax rolls and subsequent  
8           tax rolls; requiring the Department of Revenue  
9           to study assessment groups or market areas to  
10          assure the representativeness of ratio-study  
11          samples; amending s. 195.097, F.S.; requiring  
12          the Department of Revenue to report levels of  
13          assessment as an index; amending s. 197.502,  
14          F.S.; authorizing the tax collector to contract  
15          with a title abstract company to provide  
16          information concerning property described in a  
17          tax certificate; authorizing the tax collector  
18          to pay a reasonable fee for this information;  
19          providing that the amount of any fee paid for  
20          this information must be added to the opening  
21          bid for a tax deed for the property; amending  
22          s. 236.081, F.S.; requiring the Department of  
23          Revenue to report levels of assessment based on  
24          a 4-year average; providing an effective date.

25  
26 Be It Enacted by the Legislature of the State of Florida:

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28           Section 1. Paragraph (c) of subsection (2) of section  
29 195.096, Florida Statutes, is amended to read:  
30           195.096 Review of assessment rolls.--

31

1           (2) The department shall conduct, no less frequently  
2 than once every 2 years, an in-depth review of the assessment  
3 rolls of each county. The department need not individually  
4 study every use-class of property set forth in s. 195.073, but  
5 shall at a minimum study the level of assessment in relation  
6 to just value of each classification specified in subsection  
7 (3). Such in-depth review may include proceedings of the value  
8 adjustment board and the audit or review of procedures used by  
9 the counties to appraise property.

10           (c) In conducting assessment ratio studies, the  
11 department must use a representative or statistically reliable  
12 sample of properties in tests of each classification, stratum,  
13 or roll made the subject of a ratio study published by it. The  
14 department shall document and retain records of the measures  
15 of representativeness of the properties studied in compliance  
16 with this section. Such documentation must include a record of  
17 findings used as the basis for the approval or disapproval of  
18 the tax roll in each county pursuant to s. 193.1142.For  
19 purposes of this section, the department shall rely primarily  
20 on an assessment-to-sales-ratio study in conducting assessment  
21 ratio studies in those classifications of property specified  
22 in subsection (3) for which there are adequate market sales.  
23 The department shall compute the median and the value-weighted  
24 mean for each classification or subclassification studied and  
25 for the roll as a whole.

26           Section 2. Effective January 1, 2003, paragraph (c) of  
27 subsection (2) of section 195.096, Florida Statutes, as  
28 amended by section 1 of this act, is amended to read:

29           195.096 Review of assessment rolls.--

30           (2) The department shall conduct, no less frequently  
31 than once every 2 years, an in-depth review of the assessment

1 rolls of each county. The department need not individually  
2 study every use-class of property set forth in s. 195.073, but  
3 shall at a minimum study the level of assessment in relation  
4 to just value of each classification specified in subsection  
5 (3). Such in-depth review may include proceedings of the value  
6 adjustment board and the audit or review of procedures used by  
7 the counties to appraise property.

8 (c) In conducting assessment ratio studies, the  
9 department must use a representative or statistically reliable  
10 sample of properties in tests of each classification, stratum,  
11 or roll made the subject of a ratio study published by it. The  
12 department shall document and retain records of the measures  
13 of representativeness of the properties studied in compliance  
14 with this section. Such documentation must include a record of  
15 findings used as the basis for the approval or disapproval of  
16 the tax roll in each county pursuant to s. 193.1142. In  
17 addition, to the greatest extent practicable, the department  
18 shall study assessment roll strata by value groups or market  
19 areas for each classification, subclassification, or stratum  
20 to be studied, to assure the representativeness of ratio study  
21 samples. For purposes of this section, the department shall  
22 rely primarily on an assessment-to-sales-ratio study in  
23 conducting assessment ratio studies in those classifications  
24 of property specified in subsection (3) for which there are  
25 adequate market sales. The department shall compute the  
26 median and the value-weighted mean for each classification or  
27 subclassification studied and for the roll as a whole.

28 Section 3. Paragraph (b) of subsection (1) of section  
29 195.097, Florida Statutes, is amended to read:

30 195.097 Postaudit notification of defects; supervision  
31 by the department.--

1 (1)

2 (b) Notwithstanding other provisions of this section,  
3 the executive director is not required to notice as a defect a  
4 class or stratum of property which, based upon the evaluation  
5 of any review, study, or finding of the department, indicates  
6 an assessment level of more than 100 percent of just value in  
7 any class or stratum of property on the prior year's tax roll.  
8 In reporting levels of assessment to the Commissioner of  
9 Education pursuant to s. 236.081(4), the levels of assessment  
10 for all counties and for the state as a whole must be reported  
11 as an index calculated in such manner that the highest value  
12 in the index is equal to 100.

13 Section 4. Subsection (5) of section 197.502, Florida  
14 Statutes, is amended to read:

15 197.502 Application for obtaining tax deed by holder  
16 of tax sale certificate; fees.--

17 (5)(a) The tax collector may contract with a title  
18 company or an abstract company at a reasonable fee to provide  
19 the minimum information required in subsection (4), consistent  
20 with rules adopted by the department. If additional  
21 information is required, the tax collector must make a written  
22 request to the title or abstract company stating the  
23 additional requirements. The tax collector may select any  
24 title or abstract company, regardless of its location, as long  
25 as the fee is reasonable, the minimum information is  
26 submitted, and the title or abstract company is authorized to  
27 do business in this state. The tax collector may advertise and  
28 accept bids for the title or abstract company if he or she  
29 considers it appropriate to do so.

30 1. The ownership and encumbrance report must be  
31 printed or typed on stationery or other paper showing a

1 letterhead of the person, firm, or company that makes the  
2 search, and the signature of the person who makes the search  
3 or of an officer of the firm must be attached. The tax  
4 collector is not liable for payment to the firm unless these  
5 requirements are met.

6 2. The tax collector may not accept or pay for any  
7 title search or abstract if no financial responsibility is  
8 assumed for the search. However, reasonable restrictions as to  
9 the liability or responsibility of the title or abstract  
10 company are acceptable.

11 3. In order to establish uniform prices for ownership  
12 and encumbrance reports within the county, the tax collector  
13 shall ensure that the contract for ownership and encumbrance  
14 reports include all requests for title searches or abstracts  
15 for a given period of time.

16 (b) Any fee paid for any title search or abstract must  
17 be collected at the time of application under section (1), and  
18 the amount of the fee must be added to the opening bid.

19 (c) The clerk shall advertise and administer the sale  
20 and receive such fees for the issuance of the deed and sale of  
21 the property as are provided in s. 28.24.

22 Section 5. Paragraph (c) of subsection (4) of section  
23 236.081, Florida Statutes, is amended to read:

24 236.081 Funds for operation of schools.--If the annual  
25 allocation from the Florida Education Finance Program to each  
26 district for operation of schools is not determined in the  
27 annual appropriations act or the substantive bill implementing  
28 the annual appropriations act, it shall be determined as  
29 follows:

30 (4) COMPUTATION OF DISTRICT REQUIRED LOCAL  
31 EFFORT.--The Legislature shall prescribe the aggregate

1 required local effort for all school districts collectively as  
2 an item in the General Appropriations Act for each fiscal  
3 year. The amount that each district shall provide annually  
4 toward the cost of the Florida Education Finance Program for  
5 kindergarten through grade 12 programs shall be calculated as  
6 follows:

7 (c) Equalization of required local effort.--  
8 1. The Department of Revenue shall include with its  
9 certifications provided pursuant to paragraph (a) a level of  
10 assessment calculated for each county by averaging its most  
11 recent determination of the assessment level of the prior  
12 year's assessment roll and each of the three preceding  
13 assessment rolls for each county. Based on these calculated  
14 4-year average levels of assessment and the estimates of  
15 taxable value certified pursuant to paragraph (a) for each  
16 county, the Department of Revenue shall also certify an  
17 assessment level ~~and~~ for the state as a whole.

18 2. The commissioner shall adjust the required local  
19 effort millage of each district for the current year, computed  
20 pursuant to paragraph (a), as follows:

21 a. The equalization factor for the prior year's  
22 assessment roll of each district shall be multiplied by 95  
23 percent of the taxable value for school purposes shown on that  
24 roll and by the prior year's required local-effort millage,  
25 exclusive of any equalization adjustment made pursuant to this  
26 paragraph. The dollar amount so computed shall be the  
27 additional required local effort for equalization for the  
28 current year.

29 b. Such equalization factor shall be computed as the  
30 quotient of the ~~prior year's~~ assessment level of the state as  
31 a whole as calculated under subparagraph 1. divided by the

1 4-year average level of assessment of the county calculated  
2 under subparagraph 1.~~prior year's assessment level of the~~  
3 ~~county~~, from which quotient shall be subtracted 1.

4 c. The dollar amount of additional required local  
5 effort for equalization for each district shall be converted  
6 to a millage rate, based on 95 percent of the current year's  
7 taxable value for that district, and added to the required  
8 local effort millage determined pursuant to paragraph (a).

9 3. Notwithstanding the limitations imposed pursuant to  
10 s. 236.25(1), the total required local-effort millage,  
11 including additional required local effort for equalization,  
12 shall be an amount not to exceed 10 minus the maximum millage  
13 allowed as nonvoted discretionary millage, exclusive of  
14 millage authorized pursuant to s. 236.25(2). Nothing herein  
15 shall be construed to allow a millage in excess of that  
16 authorized in s. 9, Art. VII of the State Constitution.

17 4. For the purposes of this chapter, the term  
18 "assessment level" means the value-weighted mean assessment  
19 ratio for the county or state as a whole, as determined  
20 pursuant to s. 195.096, or as subsequently adjusted. In the  
21 event a court has adjudicated that the department failed to  
22 establish an accurate estimate of an assessment level of a  
23 county and recomputation resulting in an accurate estimate  
24 based upon the evidence before the court was not possible,  
25 that county shall be presumed to have an assessment level  
26 equal to that of the state as a whole.

27 5. If, in the prior year, taxes were levied against an  
28 interim assessment roll pursuant to s. 193.1145, the  
29 assessment level and prior year's nonexempt assessed valuation  
30 used for the purposes of this paragraph shall be those of the  
31 interim assessment roll.

