

By the Committee on Comprehensive Planning, Local and Military Affairs; and Senators Brown-Waite, Latvala, Sullivan, Campbell and Cowin

316-1513-01

1                                   A bill to be entitled  
2           An act relating to ad valorem taxation;  
3           creating s. 193.703, F.S.; providing for a  
4           reduction in assessment for living quarters of  
5           parents or grandparents of property owners or  
6           of their spouses; providing limitations;  
7           providing application procedures; providing  
8           penalties for making a willfully false  
9           statement in the application; providing for  
10          adjustment of the assessed value of property  
11          when the property owner is no longer eligible  
12          for the reduction in assessment; providing a  
13          contingent effective date.

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

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17           Section 1. Section 193.703, Florida Statutes, is  
18 created to read:

19           193.703 Reduction in assessment for living quarters of  
20 parents or grandparents.--

21           (1) In accordance with s. 4(3), Art. VII of the State  
22 Constitution, a county may provide for a reduction in the  
23 assessed value of homestead property which results from the  
24 construction or reconstruction of the property for the purpose  
25 of providing living quarters for one or more natural or  
26 adopted parents or grandparents of the owner of the property  
27 or of the owner's spouse if at least one of the parents or  
28 grandparents for whom the living quarters are provided is at  
29 least 62 years of age.

30           (2) A reduction may be granted under subsection (1)  
31 only to the owner of homestead property where the construction

1 or reconstruction is consistent with local land-development  
2 regulations.

3 (3) A reduction in assessment which is granted under  
4 this section applies only to construction or reconstruction to  
5 an existing homestead that occurred after the effective date  
6 of this section and applies only during taxable years during  
7 which at least one such parent or grandparent maintains his or  
8 her primary place of residence in such living quarters within  
9 the homestead property of the owner.

10 (4) Such a reduction in assessment may be granted only  
11 upon an application filed annually with the county property  
12 appraiser. The application must be made before March 1 of the  
13 year for which the reduction is to be granted. If the property  
14 appraiser is satisfied that the property is entitled to a  
15 reduction in assessment under this section, the property  
16 appraiser shall approve the application, and the value of such  
17 residential improvements shall be excluded from the value of  
18 the property for purposes of ad valorem taxation. The value  
19 excluded may not exceed the lesser of the following:

20 (a) The increase in assessed value resulting from  
21 construction or reconstruction of the property; or

22 (b) Twenty percent of the total assessed value of the  
23 property as improved.

24 (5) If the owner of a residential property for which  
25 such a reduction in assessed value has been granted is found  
26 to have made any willfully false statement in the application  
27 for the reduction, the reduction shall be revoked, the owner  
28 is subject to a civil penalty of not more than \$1,000, and the  
29 owner shall be disqualified from receiving any such reduction  
30 for a period of 5 years.

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1           (6) When the property owner no longer qualifies for  
2 the reduction in assessed value for living quarters of parents  
3 or grandparents, the just value of such improvements as of the  
4 first January 1 after the improvements were substantially  
5 completed shall be added back to the assessed value of the  
6 property.

7           Section 2. This act shall take effect upon the  
8 effective date of an amendment to Section 4 of Article VII of  
9 the State Constitution which allows counties to provide for a  
10 reduction in assessed value of living quarters constructed for  
11 property owners' parents or grandparents.

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13                           STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
14   COMMITTEE SUBSTITUTE FOR  
15   SB 162

16 Qualifies that property that is potentially eligible for a  
17 reduction in ad valorem assessment for living quarters of  
18 parents or grandparents is homestead property as opposed to  
19 residential property;

20 Provides that the reduction in assessment only applies to  
21 construction or reconstruction of an existing homestead;

22 Changes the application date for the reduction from April 1 to  
23 March 1;

24 Provides that the value of the reduction cannot exceed the  
25 lesser of the value of the improvement or twenty percent of  
26 the total assessed value of the property as improved; and

27 Provides a recapture provision where the property owner no  
28 longer qualifies for the reduction in assessment.  
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