

**STORAGE NAME:** h1941.fpr.doc  
**DATE:** March 4, 2002

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
FISCAL POLICY AND RESOURCES  
ANALYSIS**

**BILL #:** HB 1941 (PCB FPR 02-06)  
**RELATING TO:** Property Tax Administration  
**SPONSOR(S):** Committee on Fiscal Policy & Resources & Rep. Wallace  
**TIED BILL(S):** none

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

- (1) FISCAL POLICY & RESOURCES YEAS 11 NAYS 0
  - (2)
  - (3)
  - (4)
  - (5)
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I. SUMMARY:

This bill incorporates the 2002 legislative concepts from the Department of Revenue for ad valorem tax administration.

TRIM Form Modifications: Current law requires information on the TRIM (Truth In Millage) form to be in specific locations. The proposal allows the form to be amended to allow more flexibility in the placement of information. All required information will still be included.

Denials of Refunds: There are no deadlines set by law for the denial or approval of property tax refunds by the tax collector or the Department of Revenue. The proposal establishes a date certain after which property tax refunds denials may not be challenged in court. It establishes a process and timeframes or claims for refund to be approved or denied, unless the tax collector, property appraiser, or the Department of Revenue shows good cause for additional time.

Depreciation Tables & Economic Life Guidelines for TPP: The Department of Revenue is in the process of developing tangible personal property depreciation tables and economic life guidelines which will be updated annually based on county tax roll data. The proposal provides authority for the Department of Revenue to incorporate new information into the tables without triggering a full review process under rulemaking.

This bill has no fiscal impact.

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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:

Please see section-by-section analysis.

C. EFFECT OF PROPOSED CHANGES:

Please see section-by-section analysis.

D. SECTION-BY-SECTION ANALYSIS:

Section 1 - TRIM Form Modifications:

PRESENT SITUATION AFFECTED

Current law requires information on the TRIM (Truth In Millage) form to be in specific locations. In recent years the Legislature has required additional information on the form and spacing has become a problem for some counties. One such change requires individual line item entries for each independent special district and each voted debt service.

CHANGES PROPOSED

This bill allows the Department of Revenue to adjust the spacing and placement of the information on the TRIM form. All required information will still be included. In addition, the bill allows for the property appraiser to develop their own TRIM form tailored to the needs of the local jurisdictions, provided that the substantive content is the same as the statutorily prescribed form and the form is approved by the Department of Revenue.

Section 2 - Denials of Refunds:

PRESENT SITUATION AFFECTED

There are no deadlines set by law for the denial or approval of property tax refunds by the tax collector or the Department of Revenue. Consequently, there is no established timeframe in which a taxpayer may challenge a denial in court. There are no set deadlines for the tax collector or Department of Revenue to deny or approve property tax refunds.

#### CHANGES PROPOSED

The bill establishes a date certain after which property tax refunds denials may not be challenged in court. It also establishes a process and timeframes or claims for refund to be approved or denied, unless the tax collector, property appraiser, or the Department of Revenue show good cause for additional time, in which case the deadlines may be extended an additional 60 days.

#### Section 3 - Depreciation Tables & Economic Life Guidelines for TPP:

#### PRESENT SITUATION AFFECTED

The Department of Revenue is in the process of developing tangible personal property depreciation tables and economic life guidelines which will be updated annually based on county tax roll data. Under current law, the full rulemaking process will be required each year that the tables and guidelines are updated.

#### CHANGES PROPOSED

Provides authority for the Department of Revenue to incorporate new information into the tables without triggering a full review process. Under the bill, the Department of Revenue will publish notice of the proposed changes in substantial conformity with s. 120.54, F.S. If there is no objection to the changes filed with the Department within 45 days, the changes can then be incorporated in the guidelines on approval of the executive director.

#### Section 4 – Effective Date

Provides an effective date of January 1, 2003 for this bill.

## II. 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

III. 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.

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None

B. RULE-MAKING AUTHORITY:

None

C. OTHER COMMENTS:

None

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON FISCAL POLICY & RESOURCES:

Prepared by:

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