

Bill No. CS for CS for SJR 630

Amendment No.      Barcode 782676

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|---------------|----------------|--------------|
|               | CHAMBER ACTION |              |
| <u>Senate</u> |                | <u>House</u> |

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Senators Pruitt and Smith moved the following amendment:

**Senate Amendment (with title amendment)**  
Delete everything after the resolving clause

and insert:

That the amendment of Section 3 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII  
FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.--

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable

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1 purposes may be exempted by general law from taxation.

2 (b) There shall be exempt from taxation, cumulatively,  
3 to every head of a family residing in this state, household  
4 goods and personal effects to the value fixed by general law,  
5 not less than one thousand dollars, and to every widow or  
6 widower or person who is blind or totally and permanently  
7 disabled, property to the value fixed by general law not less  
8 than five hundred dollars.

9 (c) Any county or municipality may, for the purpose of  
10 its respective tax levy and subject to the provisions of this  
11 subsection and general law, grant community and economic  
12 development ad valorem tax exemptions to new businesses and  
13 expansions of existing businesses, as defined by general law.  
14 Such an exemption may be granted only by ordinance of the  
15 county or municipality, and only after the electors of the  
16 county or municipality voting on such question in a referendum  
17 authorize the county or municipality to adopt such ordinances.  
18 An exemption so granted shall apply to improvements to real  
19 property made by or for the use of a new business and  
20 improvements to real property related to the expansion of an  
21 existing business and shall also apply to tangible personal  
22 property of such new business and tangible personal property  
23 related to the expansion of an existing business. The amount  
24 or limits of the amount of such exemption shall be specified  
25 by general law. The period of time for which such exemption  
26 may be granted to a new business or expansion of an existing  
27 business shall be determined by general law. The authority to  
28 grant such exemption shall expire ten years from the date of  
29 approval by the electors of the county or municipality, and  
30 may be renewable by referendum as provided by general law.

31 (d) By general law and subject to conditions specified

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1 therein, there may be granted an ad valorem tax exemption to a  
2 renewable energy source device and to real property on which  
3 such device is installed and operated, to the value fixed by  
4 general law not to exceed the original cost of the device, and  
5 for the period of time fixed by general law not to exceed ten  
6 years.

7 (e) Any county or municipality may, for the purpose of  
8 its respective tax levy and subject to the provisions of this  
9 subsection and general law, grant historic preservation ad  
10 valorem tax exemptions to owners of historic properties. This  
11 exemption may be granted only by ordinance of the county or  
12 municipality. The amount or limits of the amount of this  
13 exemption and the requirements for eligible properties must be  
14 specified by general law. The period of time for which this  
15 exemption may be granted to a property owner shall be  
16 determined by general law.

17 (f) Legislative review of the tax on sales, use, and  
18 other transactions.--There is hereby created a joint committee  
19 consisting of six senators appointed by the President of the  
20 Senate and six representatives appointed by the Speaker of the  
21 House of Representatives, which committee shall conduct a  
22 review of all exemptions from the tax on sales, use, and other  
23 transactions imposed by law and all exclusions of sales of  
24 services from such taxation. The committee shall be governed  
25 by joint rules adopted by the legislature no later than the  
26 2003 regular session pursuant to the authority to adopt rules  
27 under section 4 of Article III. Such rules shall establish a  
28 schedule for review of such exemptions and exclusions over a  
29 three-year period and shall provide criteria to be considered  
30 by the committee in conducting its review. No later than  
31 March 1 of 2004, 2005, and 2006, the committee shall submit

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1 its findings and recommendations to the presiding officers of  
2 each house of the legislature. Any decision to deauthorize an  
3 exemption or exclusion must be approved by seven members of  
4 the committee and shall be in the form of a resolution adopted  
5 by the committee, which shall be submitted to the legislature.  
6 The resolution shall set forth the specific changes to the  
7 statutes necessary to effectuate the deauthorization, which  
8 resolution shall have the force of law and shall become  
9 effective July 1 following the second regular session  
10 occurring after submission to the legislature, except for  
11 those exemptions or exclusions expressly rescinded by joint  
12 resolution of the legislature prior to that date. This  
13 section does not operate to deauthorize any exemption or  
14 exclusion not expressly deauthorized in such resolution, nor  
15 does it prohibit subsequent reenactment by law of any  
16 exemption or exclusion that was deauthorized. The joint  
17 committee is dissolved July 1, 2006.

18 BE IT FURTHER RESOLVED that the following statement be  
19 placed on the ballot:

## 20 CONSTITUTIONAL AMENDMENT

## 21 ARTICLE VII, SECTION 3

22 REVIEW OF EXEMPTIONS AND EXCLUSIONS FROM THE TAX ON  
23 SALES, USE, AND OTHER TRANSACTIONS.--Proposes to amend the  
24 State Constitution to create a joint legislative committee to  
25 conduct a review of exemptions from the tax on sales, use, and  
26 other transactions imposed by law and exclusions of sales of  
27 services from such taxation. Provides for submission of the  
28 committee's findings and recommendations to the presiding  
29 officers of the Legislature not later than March 1, 2004,  
30 2005, and 2006. Requires committee decisions to deauthorize  
31 any exemption or exclusion which are approved by a majority of

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1 the committee membership to be presented to the Legislature as  
2 a resolution, not subject to gubernatorial veto. Authorizes  
3 the Legislature to rescind decisions of the committee by joint  
4 resolution. Provides that the deauthorization of exemptions  
5 or exclusions shall take effect on July 1 of the calendar year  
6 following the second regular session following adoption of the  
7 committee's resolution. Retains the Legislature's authority  
8 to adopt or reauthorize exemptions or exclusions from such  
9 tax.

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12 ===== T I T L E A M E N D M E N T =====

13 And the title is amended as follows:

14 Delete everything before the resolving clause

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16 and insert:

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Senate Joint Resolution No. \_\_\_\_

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A joint resolution proposing an amendment to

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Section 3 of Article VII of the State

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Constitution to create a joint legislative

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committee to conduct a review of all exemptions

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from the tax on sales, use, and other

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transactions imposed by law and all exclusions

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of sales of services from such taxation.

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