

HB 0167

2004

A bill to be entitled

An act relating to ad valorem tax exemptions; amending ss. 196.196 and 196.198, F.S.; providing for continuing an exemption from ad valorem taxation for property used for religious or educational purposes before and after a transfer under certain circumstances; requiring a minimum 3-year period of such use prior to the transfer if the transferee is an individual; providing an effective date.

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

Section 1. Subsection (4) is added to section 196.196, Florida Statutes, to read:

196.196 Determining whether property is entitled to charitable, religious, scientific, or literary exemption.--

(4) Notwithstanding the provisions of this section and s. 196.192, any property used for exempt religious purposes that is transferred and used by the transferee for religious purposes to the same extent as the transferor shall be exempt from ad valorem taxation as provided in this chapter to the same extent as it was prior to the transfer. If the transfer is to an individual, the use for exempt purposes by the transferor must have been for a minimum of 3 consecutive years immediately prior to the transfer. The exemption provided under this subsection shall continue until the transferee changes its use of such property for any nonexempt purpose.

Section 2. Section 196.198, Florida Statutes, is amended to read:

196.198 Educational property exemption.--

HB 0167

2004

30 (1) Educational institutions within this state and their
 31 property used by them or by any other exempt entity or
 32 educational institution exclusively for educational purposes
 33 shall be exempt from taxation. Sheltered workshops providing
 34 rehabilitation and retraining of disabled individuals and
 35 exempted by a certificate under s. (d) of the federal Fair Labor
 36 Standards Act of 1938, as amended, are declared wholly
 37 educational in purpose and shall be exempted from certification,
 38 accreditation, and membership requirements set forth in s.
 39 196.012. Those portions of property of college fraternities and
 40 sororities certified by the president of the college or
 41 university to the appropriate property appraiser as being
 42 essential to the educational process shall be exempt from ad
 43 valorem taxation. The use of property by public fairs and
 44 expositions chartered by chapter 616 is presumed to be an
 45 educational use of such property and shall be exempt from ad
 46 valorem taxation to the extent of such use. Property used
 47 exclusively for educational purposes shall be deemed owned by an
 48 educational institution if the entity owning 100 percent of the
 49 educational institution is owned by the identical persons who
 50 own the property. If legal title to property is held by a
 51 governmental agency that leases the property to a lessee, the
 52 property shall be deemed to be owned by the governmental agency
 53 and used exclusively for educational purposes if the
 54 governmental agency continues to use such property exclusively
 55 for educational purposes pursuant to a sublease or other
 56 contractual agreement with that lessee. If the title to land is
 57 held by the trustee of an irrevocable inter vivos trust and if
 58 the trust grantor owns 100 percent of the entity that owns an
 59 educational institution that is using the land exclusively for

HB 0167

2004

60 educational purposes, the land is deemed to be property owned by
 61 the educational institution for purposes of this exemption.

62 Property owned by an educational institution shall be deemed to
 63 be used for an educational purpose if the institution has taken
 64 affirmative steps to prepare the property for educational use.
 65 Affirmative steps means environmental or land use permitting
 66 activities, creation of architectural plans or schematic
 67 drawings, land clearing or site preparation, construction or
 68 renovation activities, or other similar activities that
 69 demonstrate commitment of the property to an educational use.

70 (2) Notwithstanding the provisions of this section and s.
 71 196.192, any property used for exempt educational purposes that
 72 is transferred and used by the transferee for exempt educational
 73 purposes to the same extent as the transferor shall be exempt
 74 from ad valorem taxation as provided in this chapter to the same
 75 extent as it was prior to the transfer. If the transfer is to an
 76 individual, the use for exempt purposes by the transferor must
 77 have been for a minimum of 3 consecutive years immediately prior
 78 to the transfer. The exemption provided under this subsection
 79 shall continue until the transferee changes its use of such
 80 property for any nonexempt purpose.

81 Section 3. This act shall take effect upon becoming a law.