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A bill to be entitled

An act relating to property tax administration; creating s. 193.017, F.S.; providing for assessment of property used for affordable housing and subject to a low-income housing tax credit; providing criteria and limitations; amending s. 193.501, F.S.; prohibiting restrictions on normal use and maintenance for outdoor recreational purposes of lands covenanted and used for such purposes; amending s. 194.011, F.S.; revising procedural requirements for petitioners and property appraisers with respect to providing evidence lists and documentation for proceedings of the value adjustment board; amending s. 194.032, F.S.; requiring earlier notification of a petitioner of a scheduled appearance before the value adjustment board; amending s. 194.181, F.S.; revising provisions specifying parties to a tax suit to include persons contractually responsible for payment of property taxes; designating the tax collector as the defendant with respect to questions relating to applications for tax deeds; amending s. 195.062, F.S.; authorizing the Department of Revenue to provide additional information in its update of the manual of instructions for property appraisers and other officials; amending s. 196.196, F.S.; providing for certain property used as a bar or restaurant by certain veterans' organizations to qualify for exemption under charitable, religious, scientific, or literary exemption provisions; amending s. 197.502, F.S.; defining the term "contiguous" for purposes of ch. 197, F.S.; providing that submerged sovereignty lands are not

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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30 contiguous for purposes of certain notice requirements;
 31 requiring that a search of official records for purposes
 32 of obtaining a tax deed be made by a direct and inverse
 33 search; authorizing the tax collector to contract for
 34 higher limits of liability than otherwise provided;
 35 creating s. 689.261, F.S.; requiring a seller to give
 36 notice to the prospective purchaser of homestead property
 37 concerning ad valorem taxes on the property; specifying
 38 the form of notice; repealing s. 373.516, F.S., relating
 39 to the assessment of rights-of-way of railroads and other
 40 public service corporations; providing an effective date.

41
 42 Be It Enacted by the Legislature of the State of Florida:

43
 44 Section 1. Section 193.017, Florida Statutes, is created
 45 to read:

46 193.017 Low-income housing tax credit.--Property used for
 47 affordable housing which has received a low-income housing tax
 48 credit from the Florida Housing Finance Corporation, as
 49 authorized by s. 420.5099, shall be assessed under s. 193.011
 50 and, consistent with s. 420.5099(5) and (6), pursuant to this
 51 section.

52 (1) The tax credits granted and the financing generated by
 53 the tax credits may not be considered as income to the property.

54 (2) The actual rental income from rent-restricted units in
 55 such a property shall be recognized by the property appraiser.

56 (3) Any costs paid for by tax credits and costs paid for
 57 by additional financing proceeds received under chapter 420 may
 58 not be included in the valuation of the property.

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59 (4) If an extended low-income housing agreement is filed
 60 in the official public records of the county in which the
 61 property is located, the agreement, and any recorded amendment
 62 or supplement to the agreement, shall be considered a land-use
 63 regulation and a limitation on the highest and best use of the
 64 property during the term of the agreement, amendment, or
 65 supplement.

66 Section 2. Paragraph (b) of subsection (1) of section
 67 193.501, Florida Statutes, is amended to read:

68 193.501 Assessment of lands subject to a conservation
 69 easement, environmentally endangered lands, or lands used for
 70 outdoor recreational or park purposes when land development
 71 rights have been conveyed or conservation restrictions have been
 72 covenanted.--

73 (1) The owner or owners in fee of any land subject to a
 74 conservation easement as described in s. 704.06(1); land
 75 qualified as environmentally endangered pursuant to paragraph
 76 (6)(i) and so designated by formal resolution of the governing
 77 board of the municipality or county within which such land is
 78 located; land designated as conservation land in a comprehensive
 79 plan adopted by the appropriate municipal or county governing
 80 body; or any land which is utilized for outdoor recreational or
 81 park purposes may, by appropriate instrument, for a term of not
 82 less than 10 years:

83 (b) Covenant with the governing board of any public agency
 84 in this state within which the land is located, or with the
 85 Board of Trustees of the Internal Improvement Trust Fund, or
 86 with a charitable corporation or trust as described in s.
 87 704.06(3), that such land be subject to one or more of the

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88 conservation restrictions provided in s. 704.06(1) or not be
 89 used by the owner for any purpose other than outdoor
 90 recreational or park purposes. If land is covenanted and used
 91 for an outdoor recreational purpose, the normal use and
 92 maintenance of the land for that purpose, consistent with the
 93 covenant, shall not be restricted.

94 Section 3. Subsection (4) of section 194.011, Florida
 95 Statutes, is amended to read:

96 194.011 Assessment notice; objections to assessments.--

97 (4)(a) At least 15 ~~10~~ days before the hearing, the
 98 petitioner shall provide to the property appraiser a list of
 99 evidence to be presented at the hearing, together with copies of
 100 all documentation to be considered by the value adjustment board
 101 and a summary of evidence to be presented by witnesses.

102 (b) No later than 7 ~~5~~ days before the hearing, if ~~after~~
 103 the petitioner has provided ~~provides~~ the information required
 104 under paragraph (a), and if requested in writing by the
 105 petitioner, the property appraiser shall provide to the
 106 petitioner a list of evidence to be presented at the hearing,
 107 together with copies of all documentation to be considered by
 108 the value adjustment board and a summary of evidence to be
 109 presented by witnesses. The evidence list must contain the
 110 property record card if provided by the clerk. Failure of the
 111 property appraiser to timely comply with the requirements of
 112 this paragraph shall result in a rescheduling of the hearing.

113 Section 4. Subsection (2) of section 194.032, Florida
 114 Statutes, is amended to read:

115 194.032 Hearing purposes; timetable.--

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116 (2) The clerk of the governing body of the county shall
 117 prepare a schedule of appearances before the board based on
 118 petitions timely filed with him or her. The clerk shall notify
 119 each petitioner of the scheduled time of his or her appearance
 120 no less than 25 ~~20~~ calendar days prior to the day of such
 121 scheduled appearance. Upon receipt of this notification, the
 122 petitioner shall have the right to reschedule the hearing a
 123 single time by submitting to the clerk of the governing body of
 124 the county a written request to reschedule, no less than 5
 125 calendar days before the day of the originally scheduled
 126 hearing. A copy of the property record card containing relevant
 127 information used in computing the taxpayer's current assessment
 128 shall be included with such notice, if said card was requested
 129 by the taxpayer. Such request shall be made by checking an
 130 appropriate box on the petition form. No petitioner shall be
 131 required to wait for more than 4 hours from the scheduled time;
 132 and, if his or her petition is not heard in that time, the
 133 petitioner may, at his or her option, report to the chairperson
 134 of the meeting that he or she intends to leave; and, if he or
 135 she is not heard immediately, the petitioner's administrative
 136 remedies will be deemed to be exhausted, and he or she may seek
 137 further relief as he or she deems appropriate. Failure on three
 138 occasions with respect to any single tax year to convene at the
 139 scheduled time of meetings of the board shall constitute grounds
 140 for removal from office by the Governor for neglect of duties.

141 Section 5. Subsections (1) and (3) of section 194.181,
 142 Florida Statutes, are amended to read:

143 194.181 Parties to a tax suit.--

144 (1) The plaintiff in any tax suit shall be:

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145 (a) The taxpayer or other person contesting the assessment
 146 of any tax, the payment of which he or she is responsible for
 147 under ~~the law~~ or a person who is responsible for the entire tax
 148 payment pursuant to a contract and has the written consent of
 149 the property owner, or the condominium association, cooperative
 150 association, or homeowners' association as defined in s. 723.075
 151 which operates the units subject to the assessment; or

152 (b) The property appraiser pursuant to s. 194.036.

153 (3) In any suit involving the collection of any tax on
 154 property, as well as questions relating to tax certificates or
 155 applications for tax deeds, the tax collector charged under the
 156 law with collecting such tax shall be the defendant.

157 Section 6. Subsection (1) of section 195.062, Florida
 158 Statutes, is amended to read:

159 195.062 Manual of instructions.--

160 (1) The department shall prepare and maintain a current
 161 manual of instructions for property appraisers and other
 162 officials connected with the administration of property taxes.
 163 This manual shall contain all:

164 (a) Rules and regulations.

165 (b) Standard measures of value.

166 (c) Forms and instructions relating to the use of forms
 167 and maps.

168
 169 Consistent with s. 195.032, the standard measures of value shall
 170 be adopted in general conformity with the procedures set forth
 171 in s. 120.54, but shall not have the force or effect of such
 172 rules and shall be used only to assist tax officers in the
 173 assessment of property as provided by s. 195.002. Guidelines may

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174 be updated annually to incorporate new market data, which may be
 175 in tabular form, technical changes, changes indicated by
 176 established decisions of the Supreme Court and, if a summary of
 177 justification is set forth in the notice required under s.
 178 120.54, other changes relevant to appropriate assessment
 179 practices or standard measurement of value. Such new data may be
 180 incorporated into the guidelines on the approval of the
 181 executive director if after notice in substantial conformity
 182 with s. 120.54 there is no objection filed with the department
 183 within 45 days, and the procedures set forth in s. 120.54 do not
 184 apply.

185 Section 7. Subsection (3) of section 196.196, Florida
 186 Statutes, is amended to read:

187 196.196 Determining whether property is entitled to
 188 charitable, religious, scientific, or literary exemption.--

189 (3) Except as otherwise provided herein, property claimed
 190 as exempt for literary, scientific, religious, or charitable
 191 purposes which is used for profitmaking purposes shall be
 192 subject to ad valorem taxation. Use of property for functions
 193 not requiring a business or occupational license conducted by
 194 the organization at its primary residence, the revenue of which
 195 is used wholly for exempt purposes, shall not be considered
 196 profit making. In this connection the playing of bingo on such
 197 property shall not be considered as using such property in such
 198 a manner as would impair its exempt status. Portions of property
 199 owned and used by a not-for-profit veterans' organization or
 200 post which holds a current exemption from federal income tax
 201 under s. 501(c)(19)(C) of the Internal Revenue Code for a bar or
 202 restaurant shall not be considered profitmaking and shall be

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203 exempt as long as no part of the net earnings inure to the
 204 benefit of any individual and any net earnings from the
 205 operation are used in furtherance of the organization's
 206 charitable, educational, literary, scientific, or religious
 207 purposes.

208 Section 8. Subsection (4) and paragraph (a) of subsection
 209 (5) of section 197.502, Florida Statutes, are amended to read:

210 197.502 Application for obtaining tax deed by holder of
 211 tax sale certificate; fees.--

212 (4) The tax collector shall deliver to the clerk of the
 213 circuit court a statement that payment has been made for all
 214 outstanding certificates or, if the certificate is held by the
 215 county, that all appropriate fees have been deposited, and
 216 stating that the following persons are to be notified prior to
 217 the sale of the property:

218 (a) Any legal titleholder of record if the address of the
 219 owner appears on the record of conveyance of the lands to the
 220 owner. However, if the legal titleholder of record is the same
 221 as the person to whom the property was assessed on the tax roll
 222 for the year in which the property was last assessed, then the
 223 notice may only be mailed to the address of the legal
 224 titleholder as it appears on the latest assessment roll.

225 (b) Any lienholder of record who has recorded a lien
 226 against the property described in the tax certificate if an
 227 address appears on the recorded lien.

228 (c) Any mortgagee of record if an address appears on the
 229 recorded mortgage.

230 (d) Any vendee of a recorded contract for deed if an
 231 address appears on the recorded contract or, if the contract is

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232 not recorded, any vendee who has applied to receive notice
 233 pursuant to s. 197.344(1)(c).

234 (e) Any other lienholder who has applied to the tax
 235 collector to receive notice if an address is supplied to the
 236 collector by such lienholder.

237 (f) Any person to whom the property was assessed on the
 238 tax roll for the year in which the property was last assessed.
 239 ~~The certificate shall be signed by the collector and the~~
 240 ~~collector's seal affixed. The collector may purchase a~~
 241 ~~reasonable bond for errors and omissions of his or her office in~~
 242 ~~making such certificate.~~

243 (g) Any lienholder of record who has recorded a lien
 244 against a mobile home located on the property described in the
 245 tax certificate if an address appears on the recorded lien and
 246 if the lien is recorded with the clerk of the circuit court in
 247 the county where the mobile home is located.

248 (h) Any legal titleholder of record of property that is
 249 contiguous to the property described in the tax certificate,
 250 when the property described is either submerged land or common
 251 elements of a subdivision, if the address of the titleholder of
 252 contiguous property appears on the record of conveyance of the
 253 land to that legal titleholder. However, if the legal
 254 titleholder of property contiguous to the property described in
 255 the tax certificate is the same as the person to whom the
 256 property described in the tax certificate was assessed on the
 257 tax roll for the year in which the property was last assessed,
 258 the notice may be mailed only to the address of the legal
 259 titleholder as it appears on the latest assessment roll. As used
 260 in this chapter, the term "contiguous" means touching, meeting,

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261 or joining at the surface or border, other than at a corner or a
 262 single point, and not separated by submerged lands. Submerged
 263 lands lying below the ordinary high-water mark which are
 264 sovereignty lands are not part of the upland contiguous property
 265 for purposes of notification.
 266

267 The statement must be signed by the tax collector, with the tax
 268 collector's seal affixed. The tax collector may purchase a
 269 reasonable bond for errors and omissions of his or her office in
 270 making such statement. The search of the official records must
 271 be made by a direct and inverse search. The term "direct" means
 272 the index in straight and continuous alphabetic order by
 273 grantor. The term "inverse" means the index in straight and
 274 continuous alphabetic order by grantee.

275 (5)(a) The tax collector may contract with a title company
 276 or an abstract company at a reasonable fee to provide the
 277 minimum information required in subsection (4), consistent with
 278 rules adopted by the department. If additional information is
 279 required, the tax collector must make a written request to the
 280 title or abstract company stating the additional requirements.
 281 The tax collector may select any title or abstract company,
 282 regardless of its location, as long as the fee is reasonable,
 283 the minimum information is submitted, and the title or abstract
 284 company is authorized to do business in this state. The tax
 285 collector may advertise and accept bids for the title or
 286 abstract company if he or she considers it appropriate to do so.

287 1. The ownership and encumbrance report must be printed or
 288 typed on stationery or other paper showing a letterhead of the
 289 person, firm, or company that makes the search, and the

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290 signature of the person who makes the search or of an officer of
 291 the firm must be attached. The tax collector is not liable for
 292 payment to the firm unless these requirements are met.

293 2. The tax collector may not accept or pay for any title
 294 search or abstract if no financial responsibility is assumed for
 295 the search. However, reasonable restrictions as to the liability
 296 or responsibility of the title or abstract company are
 297 acceptable. Notwithstanding s. 627.7843(3), the tax collector
 298 may contract for higher maximum liability limits.

299 3. In order to establish uniform prices for ownership and
 300 encumbrance reports within the county, the tax collector shall
 301 ensure that the contract for ownership and encumbrance reports
 302 include all requests for title searches or abstracts for a given
 303 period of time.

304 Section 9. Section 689.261, Florida Statutes, is created
 305 to read:

306 689.261 Sale of homestead property; disclosure of ad
 307 valorem taxes to prospective purchaser.--

308 (1) A prospective purchaser of residential property must
 309 be presented a disclosure summary at or before executing the
 310 contract for sale. Unless a substantially similar disclosure
 311 summary is included in the contract for sale, a separate
 312 disclosure summary must be attached to the contract for sale.
 313 The disclosure summary, whether separate or included in the
 314 contract, must be in a form substantially similar to the
 315 following:

316
 317 PROPERTY TAX DISCLOSURE SUMMARY
 318

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319 BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY
 320 TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY
 321 BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A
 322 CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS
 323 REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER
 324 PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING
 325 VALUATION AND AD VALOREM TAXES, PLEASE CONTACT YOUR
 326 COUNTY PROPERTY APPRAISER.

327
 328 (2) Unless included in the contract, the disclosure must
 329 be provided by the seller. If the disclosure summary is not
 330 included in the contract for sale, the contract for sale must
 331 refer to and incorporate by reference the disclosure summary and
 332 all contracts for sale must include, in prominent language, a
 333 statement that the potential purchaser should not execute the
 334 contract until he or she has read the disclosure summary
 335 required by this section.

336 Section 10. Section 373.516, Florida Statutes, is
 337 repealed.

338 Section 11. This act shall take effect January 1, 2005.