

By the Committees on Comprehensive Planning; Regulated Industries; and Senator Margolis

316-2086-04

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A bill to be entitled
An act relating to the sale of residential property; creating s. 689.261, F.S.; requiring a seller to give notice to the prospective purchaser of residential property concerning ad valorem taxes on the property; specifying the form of notice; providing an effective date.

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

Section 1. Section 689.261, Florida Statutes, is created to read:

689.261 Sale of residential property; disclosure of ad valorem taxes to prospective purchaser.--

(1) A prospective purchaser of residential property must be presented a disclosure summary at or before execution of the contract for sale. Unless a substantially similar disclosure summary is included in the contract for sale, a separate disclosure summary must be attached to the contract for sale. The disclosure summary, whether separate or included in the contract, must be in a form substantially similar to the following:

AD VALOREM TAX
DISCLOSURE SUMMARY

1. THE AD VALOREM TAXES ON THE PROPERTY FOR THE YEAR SUBSEQUENT TO THE PURCHASE MAY BE IN EXCESS OF THE AD VALOREM TAXES ASSESSED AT THE TIME OF SALE.

2. IN THE YEAR FOLLOWING THE SALE OF RESIDENTIAL PROPERTY WHEN THE CHANGE OF OWNERSHIP, AS DEFINED IN SECTION

1 193.155(3), FLORIDA STATUTES, OCCURS, THE PROPERTY APPRAISER
2 SHALL REASSESS THE SOLD PROPERTY AT JUST (MARKET) VALUE. THE
3 AD VALOREM TAXES FOR THE SOLD PROPERTY WILL BE CALCULATED
4 USING THE REASSESSED UST (MARKET) VALUE LESS ANY APPLICABLE
5 EXEMPTIONS.

6 3. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION AND
7 AD VALOREM TAXES, PLEASE CONTACT YOUR COUNTY PROPERTY
8 APPRAISER.

9
10 (2) Unless included in the contract, the disclosure
11 summary must be provided by the seller. If the disclosure
12 summary is not included in the contract for sale, the contract
13 for sale must refer to and incorporate by reference the
14 disclosure summary and all contracts for sale must include, in
15 prominent language, a statement that the potential purchaser
16 should not execute the contract until he or she has read the
17 disclosure summary required by this section.

18 Section 2. This act shall take effect October 1, 2004.

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20 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
21 COMMITTEE SUBSTITUTE FOR
22 CS for SB 478

23 This CS/CS differs from the CS in that it replaces the term
24 "homestead property" with "residential property"; allows the
25 disclosure to be presented at closing, rather than only before
26 closing; clarifies the disclosure statement in regards to the
27 reassessment of the property at market value subsequent to a
change of ownership; deletes a reference to the tax collector
in the disclosure statement; deletes the option to void the
sales contract if the disclosure is not provided; and changes
the effective date from July 1 to October 1.