

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Government Efficiency Appropriations Committee

BILL: CS/SB 1270

SPONSOR: Government Efficiency Appropriations Committee and Senator Saunders

SUBJECT: Property Appraiser Assessments

DATE: April 4, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Vickers</u>	<u>Yeatman</u>	<u>CA</u>	<u>Fav/1 amendment</u>
2.	<u>Fournier</u>	<u>Johansen</u>	<u>GE</u>	<u>Favorable/CS</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This committee substitute requires county property appraisers to review, as they deem necessary, satellite imagery, aerial photographs, and similar imagery, and requires property appraisers to physically inspect real property every 5 years to ensure that the tax roll meets all the requirements of law.

This committee substitute substantially amends section 193.023 of the Florida Statutes.

II. Present Situation:

Section 4, Article VII, of the Florida Constitution, requires a just valuation of all real property for ad valorem taxation, with certain exceptions. Florida property appraisers have the statutory responsibility to list and determine the just value of all real property in each county each year for purposes of ad valorem taxation.

Section 193.023, F.S., provides that property appraisers must complete an assessment of the value of all property no later than July 1 of each year, except that the Department of Revenue may for good cause extend the time for completion of assessment of all property.

This section provides that in making the assessment of the value of real property, the property appraiser must inspect physically the property every 3 years to ensure that the tax roll meets all the requirements of law. In addition, the property appraiser must physically inspect any parcel of taxable real property upon the request of the taxpayer or owner. In assessing property in accordance with constitutional and statutory requirements, the property appraiser may adjust the assessed value placed on any parcel or group of parcels based on mass data collected, on ratio

studies prepared by an agency authorized by law, or pursuant to regulations of the Department of Revenue.

Section 195.022, F.S., requires the Department of Revenue to provide aerial photographs every 3 years to the state's 67 property appraisers. The counties rely on the use of aerial photography for discovery, location, and identification of property characteristics. A schedule of counties to be flown each year (approximately one third of the state) has been developed to insure that this requirement is met. This is accomplished through an interlocal agreement with the Department of Transportation to provide photo enlargements to the counties. However, due to workload and resource allocation, the Department of Transportation is often unable to fly all counties that have been scheduled. As a result, the Department of Revenue contracts with private aerial photography firms to fly the remaining counties.

According to representatives of the Department of Revenue and the Florida Association of Property Appraisers, many of the state's property appraisers are currently unable to comply with the statutory requirement that they physically inspect property every 3 three years. This is due to the significant growth in the number of parcels of property, combined with limitations in staffing resources within the property appraiser offices. The Department of Revenue indicated that Florida currently has approximately 9 million parcels of property.

The International Association of Assessing Officers (IAAO) publishes advisory standards to assist assessing officers in the improvement and standardization of their offices. The 2002 Standard on Mass Appraisal of Real Property recommends that property be physically reviewed and individually reappraised every four to six years.

III. Effect of Proposed Changes:

This committee substitute requires county property appraisers to review, as they deem necessary, satellite imagery, aerial photographs, and similar imagery, and requires them to physically inspect real property every 5 years to ensure that the tax roll meets all the requirements of law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None

B. Private Sector Impact:

None.

C. Government Sector Impact:

This committee substitute may improve efficiency in the assessment process by encouraging use of additional technology, and reducing the required physical inspections from every 3 years to every 5 years.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The Department of Revenue has requested funding to acquire ortho-rectified digital image data to support the development and analysis of the tax rolls for all 67 counties in Florida for FY 05/06. The Department asserts that acquisition of this improved imaging capability will facilitate the counties' and the Department's utilization of emerging technologies to become more efficient.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

VIII. Summary of Amendments:

None.

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