

House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to preserve the assessment as homestead property of any property purchased or constructed as a replacement for homestead property taken through eminent domain.

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

That the amendment to Section 4 of Article VII of the State Constitution set forth below is agreed to and shall be submitted to the electors of Florida for approval or rejection at the general election to be held in November 2006:

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.—By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at

29 just value as of January 1 of the year following the effective  
 30 date of this amendment. This assessment shall change only as  
 31 provided herein.

32 (1) Assessments subject to this provision shall be changed  
 33 annually on January 1st of each year; but those changes in  
 34 assessments shall not exceed the lower of the following:

35 a. Three percent (3%) of the assessment for the prior  
 36 year.

37 b. The percent change in the Consumer Price Index for all  
 38 urban consumers, U.S. City Average, all items 1967=100, or  
 39 successor reports for the preceding calendar year as initially  
 40 reported by the United States Department of Labor, Bureau of  
 41 Labor Statistics.

42 (2) No assessment shall exceed just value.

43 (3) After any change of ownership, as provided by general  
 44 law, homestead property shall be assessed at just value as of  
 45 January 1 of the following year. Thereafter, the homestead shall  
 46 be assessed as provided herein.

47 (4) New homestead property shall be assessed at just value  
 48 as of January 1st of the year following the establishment of the  
 49 homestead. That assessment shall only change as provided herein.

50 (5) Changes, additions, reductions, or improvements to  
 51 homestead property shall be assessed as provided for by general  
 52 law; provided, however, after the adjustment for any change,  
 53 addition, reduction, or improvement, the property shall be  
 54 assessed as provided herein.

55 (6) In the event of a termination of homestead status, the  
 56 property shall be assessed as provided by general law.

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57 (7) In the event a person's homestead property is taken by  
58 eminent domain under Article X, Section 6, the person whose  
59 homestead property is taken shall continue to be entitled to the  
60 benefits of this subsection, as provided in this paragraph.

61 a. Replacement homestead property must be acquired within  
62 the state and application for homestead exemption made to the  
63 county in which the property is located, within two years after  
64 the date on which full compensation is paid to the owner; or, in  
65 the event a new residence is constructed, the newly constructed  
66 residence must be occupied and the homestead exemption applied  
67 for with the county in which the property is located, within  
68 three years after the date on which full compensation is paid to  
69 the owner.

70 b. The difference between the amount paid as full  
71 compensation and the assessment made pursuant to this subsection  
72 shall be determined.

73 c. In the event the replacement homestead property is  
74 purchased, or constructed, if applicable, at an amount equal to  
75 or greater than the amount paid as full compensation, the  
76 replacement homestead property's assessed value as determined  
77 pursuant to paragraph (4) shall be reduced by the amount  
78 determined pursuant to subparagraph b.

79 d. In the event the replacement homestead property is  
80 purchased, or constructed, if applicable, at an amount less than  
81 the amount paid as full compensation, the replacement homestead  
82 property's assessed value as determined pursuant to paragraph  
83 (4) shall be reduced by an amount equal to the amount determined  
84 pursuant to subparagraph b., divided by the amount paid as full

85 compensation, and multiplied by the amount paid, including  
 86 construction costs, if applicable, for the replacement homestead  
 87 property.

88 ~~(8)(7)~~ The provisions of this amendment are severable. If  
 89 any of the provisions of this amendment shall be held  
 90 unconstitutional by any court of competent jurisdiction, the  
 91 decision of such court shall not affect or impair any remaining  
 92 provisions of this amendment.

93 (d) The legislature may, by general law, for assessment  
 94 purposes and subject to the provisions of this subsection, allow  
 95 counties and municipalities to authorize by ordinance that  
 96 historic property may be assessed solely on the basis of  
 97 character or use. Such character or use assessment shall apply  
 98 only to the jurisdiction adopting the ordinance. The  
 99 requirements for eligible properties must be specified by  
 100 general law.

101 (e) A county may, in the manner prescribed by general law,  
 102 provide for a reduction in the assessed value of homestead  
 103 property to the extent of any increase in the assessed value of  
 104 that property which results from the construction or  
 105 reconstruction of the property for the purpose of providing  
 106 living quarters for one or more natural or adoptive grandparents  
 107 or parents of the owner of the property or of the owner's spouse  
 108 if at least one of the grandparents or parents for whom the  
 109 living quarters are provided is 62 years of age or older. Such a  
 110 reduction may not exceed the lesser of the following:

111 (1) The increase in assessed value resulting from  
 112 construction or reconstruction of the property.

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113 (2) Twenty percent of the total assessed value of the  
 114 property as improved.

115 BE IT FURTHER RESOLVED that the title and substance of the  
 116 amendment proposed herein shall appear on the ballot as follows:

117 HOMESTEAD EXEMPTION

118 Proposes an amendment to Section 4 of Article VII of the  
 119 State Constitution to preserve the assessment as homestead  
 120 property of any property purchased or constructed as a  
 121 replacement for homestead property taken through eminent domain.