

By the Committee on Government Efficiency Appropriations

593-1839-06

1 A bill to be entitled
2 An act relating to property taxation; amending
3 s. 193.155, F.S.; providing conditions under
4 which changes, additions, or improvements that
5 replace all or a portion of homestead property
6 damaged or destroyed by misfortune or calamity
7 shall not be assessed at just value; amending
8 s. 196.031, F.S.; providing conditions under
9 which homestead property that is damaged or
10 destroyed by misfortune or calamity and is
11 uninhabitable on January 1 after the damage or
12 destruction occurs may be granted the homestead
13 exemption; providing for retroactive
14 application; providing an effective date.

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

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18 Section 1. Subsection (4) of section 193.155, Florida
19 Statutes, is amended to read:

20 193.155 Homestead assessments.--Homestead property
21 shall be assessed at just value as of January 1, 1994.
22 Property receiving the homestead exemption after January 1,
23 1994, shall be assessed at just value as of January 1 of the
24 year in which the property receives the exemption.

25 (4)(a) Except as provided in paragraph (b), changes,
26 additions, or improvements to homestead property shall be
27 assessed at just value as of the first January 1 after the
28 changes, additions, or improvements are substantially
29 completed.

30 (b) Changes, additions, or improvements that replace
31 all or do not include replacement of a portion of real

1 property damaged or destroyed by misfortune or calamity shall
2 not increase the assessed value when the square footage of the
3 homestead property as changed or improved does not exceed 110
4 percent of the square footage of the property before the
5 damage or destruction just value of the damaged or destroyed
6 portion as replaced is not more than 125 percent of the just
7 value of the damaged or destroyed portion. Additionally, the
8 assessed value shall not increase if the total square footage
9 of the property as changed or improved does not exceed 1,500
10 square feet. Changes, additions, or improvements that do not
11 cause the total to exceed 110 percent of the total square
12 footage of the property before the damage or destruction, or
13 that do not cause the total to exceed 1,500 total square feet,
14 shall be reassessed as provided under subsection (1). Assessed
15 value shall be increased by the just value of that portion of
16 the changed or improved homestead property any replaced real
17 property, or portion thereof, which is in excess of 110 125
18 percent of the square footage of the homestead before the
19 damage or destruction or that portion exceeding 1,500 square
20 feet just value of the damaged or destroyed property shall be
21 deemed to be a change, addition, or improvement. Homestead
22 Replaced real property damaged or destroyed by misfortunes or
23 calamity which, after being changed or improved, has a square
24 footage with a just value of less than 100 percent of the
25 original property's total square footage before the damage or
26 destruction just value shall be assessed pursuant to
27 subsection (5). This paragraph applies to changes, additions,
28 or improvements commenced within 3 years after the January 1
29 following the damage or destruction of the homestead.
30 (c) Changes, additions, or improvements that replace
31 all or a portion of real property that was damaged or

1 destroyed by misfortune or calamity shall be assessed upon
2 substantial completion as if such damage or destruction had
3 not occurred and in accordance with paragraph (b) if the owner
4 of such property:

5 1. Was permanently residing on such property when the
6 damage or destruction occurred;

7 2. Was not entitled to receive homestead exemption on
8 such property as of January 1 of that year; and

9 3. Applies for and receives homestead exemption on
10 such property the following year.

11 (d)(e) Changes, additions, or improvements include
12 improvements made to common areas or other improvements made
13 to property other than to the homestead property by the owner
14 or by an owner association, which improvements directly
15 benefit the homestead property. Such changes, additions, or
16 improvements shall be assessed at just value, and the just
17 value shall be apportioned among the parcels benefiting from
18 the improvement.

19 Section 2. Subsection (7) is added to section 196.031,
20 Florida Statutes, to read:

21 196.031 Exemption of homesteads.--

22 (7) When homestead property is damaged or destroyed by
23 misfortune or calamity and the property is uninhabitable on
24 January 1 after the damage or destruction occurs, the
25 homestead exemption may be granted if the property is
26 otherwise qualified and if the property owner notifies the
27 property appraiser that he or she intends to repair or rebuild
28 the property and live in it as his or her primary residence
29 after it is repaired or rebuilt and does not claim a homestead
30 exemption on any other property or otherwise violate this
31 section. Failure by the property owner to commence the repair

1 or rebuilding of the homestead property within 3 years after
2 January 1 following its damage or destruction constitutes
3 abandonment of the property as a homestead.

4 Section 3. This act shall take effect upon becoming a
5 law and shall apply retroactively to homestead property
6 replaced on or after January 1, 2006.

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8 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
9 COMMITTEE SUBSTITUTE FOR
10 SB 1430

11 This committee substitute requires property owners to commence
12 repairs within 3 years of the January 1 following the damage
13 or destruction and removes some language regarding assessment
14 of additions or improvements that the property appraisers had
15 found potentially confusing. It extends the provisions of the
16 bill to permanent residents who had moved into their homes
17 after January 1 (and therefore did not have homestead status),
18 as long as they apply for homestead the following January 1.
19 It provides that failure to commence repairs or rebuilding
20 within 3 years of the January 1 following damage or
21 destruction constitutes abandonment of the property as a
22 homestead, and it clarifies that the bill applies to homestead
23 property replaced on or after the effective date of the bill,
24 even if it was damaged or destroyed before that date.
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