

CHAMBER ACTION

1 The Local Government Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 House Joint Resolution

6 A joint resolution proposing an amendment to Section 4 of
7 Article VII of the State Constitution to provide an
8 additional circumstance for assessing homestead property
9 at less than just value and authorize an exemption from
10 such circumstance for homestead property in fiscally
11 constrained counties subject to voter approval.

12
13 Be It Resolved by the Legislature of the State of Florida:

14
15 That the following amendment to Section 4 of Article VII of
16 the State Constitution is agreed to and shall be submitted to
17 the electors of this state for approval or rejection at the next
18 general election or at an earlier special election specifically
19 authorized by law for that purpose:

20 ARTICLE VII

21 FINANCE AND TAXATION

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

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

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

33 (c) All persons entitled to a homestead exemption under
34 Section 6 of this Article shall have their homestead assessed at
35 just value as of January 1 of the year following the effective
36 date of this amendment. This assessment shall change only as
37 provided herein.

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

41 a. Three percent (3%) of the assessment for the prior
42 year.

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

48 (2) No assessment shall exceed just value.

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49 (3) After any change of ownership, as provided by general
50 law, homestead property shall be assessed at just value as of
51 January 1 of the following year, unless the provisions of
52 paragraph (8) apply. Thereafter, the homestead shall be assessed
53 as provided herein.

54 (4) New homestead property shall be assessed at just value
55 as of January 1st of the year following the establishment of the
56 homestead, unless the provisions of paragraph (8) apply. That
57 assessment shall only change as provided herein.

58 (5) Changes, additions, reductions, or improvements to
59 homestead property shall be assessed as provided for by general
60 law; provided, however, after the adjustment for any change,
61 addition, reduction, or improvement, the property shall be
62 assessed as provided herein.

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

65 (7) The provisions of this amendment are severable. If any
66 of the provisions of this amendment shall be held
67 unconstitutional by any court of competent jurisdiction, the
68 decision of such court shall not affect or impair any remaining
69 provisions of this amendment.

70 (8) When a person sells his or her homestead property
71 within this state and within one year purchases another property
72 and establishes such property as homestead property, the newly
73 established homestead property shall be initially assessed at
74 less than just value, as provided by general law. The difference
75 between the new homestead property's just value and its assessed
76 value in the first year the homestead is established may not

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77 | exceed the difference between the previous homestead property's
78 | just value and its assessed value in the year of sale. In
79 | addition, to be assessed as provided in this paragraph, the
80 | assessed value of the new homestead property must equal or
81 | exceed the assessed value of the previous homestead property.
82 | Thereafter, the homestead property shall be assessed as provided
83 | herein. Homestead property located within a fiscally constrained
84 | county may be exempt from this paragraph as provided by general
85 | law and subject to approval of the electors of the county voting
86 | in a referendum to be held no earlier than November 1, 2009.

87 | (d) The legislature may, by general law, for assessment
88 | purposes and subject to the provisions of this subsection, allow
89 | counties and municipalities to authorize by ordinance that
90 | historic property may be assessed solely on the basis of
91 | character or use. Such character or use assessment shall apply
92 | only to the jurisdiction adopting the ordinance. The
93 | requirements for eligible properties must be specified by
94 | general law.

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

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

107 (2) Twenty percent of the total assessed value of the
108 property as improved.

109 BE IT FURTHER RESOLVED that the following statement be
110 placed on the ballot:

111 CONSTITUTIONAL AMENDMENT

112 ARTICLE VII, SECTION 4

113 HOMESTEAD PROPERTY ASSESSMENTS.--Proposing an amendment to
114 the State Constitution to provide for assessing at less than
115 just value property purchased within one year after a sale of
116 homestead property and established as new homestead property,
117 prohibiting the difference between the new homestead property's
118 just value and its assessed value in the first year the
119 homestead is established from exceeding the difference between
120 the previous homestead property's just value and its assessed
121 value in the year of sale, requiring the new homestead
122 property's assessed value to equal or exceed the previous
123 homestead property's assessed value, and authorizing an
124 exemption from such less-than-just-value assessments for
125 homestead property in a fiscally constrained county subject to
126 voter referendum approval no earlier than November 1, 2009.