

**The Florida Senate**  
**PROFESSIONAL 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: Community Affairs Committee

BILL: SB 1216

INTRODUCER: Senator Wise

SUBJECT: Ad Valorem Tax Exemptions for Totally and Permanently Disabled Persons

DATE: March 26, 2007      REVISED: 03/28/07    03/29/07    \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Herrin	Yeatman	CA	<b>Favorable</b>
2.			FT	
3.			GA	
4.				
5.				
6.				

**I. Summary:**

The bill deletes the requirement that a person who is totally and permanently disabled, as defined in s. 196.012(11), F.S., must also use a wheelchair for mobility in order to qualify for an exemption of the total value of homestead property from ad valorem taxation.

This bill amends section 196.101 of the Florida Statutes.

**II. Present Situation:**

The Legislature may only grant property tax exemptions that are authorized in the constitution, and modifications to property tax exemptions must be consistent with the constitutional provision authorizing the exemption.<sup>1</sup>

Article VII, s. 6 of the State Constitution, authorizes an exemption from ad valorem taxation for homestead property owned by a taxpayer and used as the owner's permanent residence or the permanent residence of another who is legally or naturally dependent upon the owner. The value of the homestead exemption is currently \$25,000 of the assessed value of the real estate. Section 196.031, F.S., primarily implements the homestead exemption, although other statutory sections provide specific procedures and conditions, i.e., procedures for application for the exemption (s. 196.011, F.S.), the extent of the exemption (s. 196.041, F.S.), and the effect of rental of homestead property.

<sup>1</sup>*Sebring Airport Authority v. McIntyre*, 783 So.2d 238 (Fla. 2001). See also, *Archer v. Marshall*, 355 So.2d 781, 784. (Fla. 1978). See also, *Am Fi Inv. Corp. v. Kinney*, 360 So.2d 415 (Fla. 1978). *Sparkman v. State*, 58 So.2d 431, 432 (Fla. 1952).

Article VII, s. 3(b) of the State Constitution, requires that not less than \$500 of property, as established in general law, of widows and widowers and persons who are blind or totally and permanently disabled be exempt from taxation. The widows/widowers exemption is implemented in s. 196.202, F.S.

Subsections (1) and (2) of s. 196.101, F.S., exempt the total value of a homestead used and owned by a person who has been certified as totally and permanently disabled due to: quadriplegia; paraplegia; hemiplegia; other total and permanent disability, as defined in s. 196.012(11), F.S., requiring the use of a wheelchair; or legal blindness. The certificate of such disability must come from two Florida-licensed physicians using the required form in s. 196.101(5), F.S., or the U.S. Department of Veterans Affairs or its predecessor. Section 196.012(11), F.S., defines “totally and permanently disabled person” as a person who is certified by two Florida-licensed physicians who are professionally unrelated, by the United States Department of Veterans Affairs or its predecessor, or by the Social Security Administration to be totally and permanently disabled.

### **III. Effect of Proposed Changes:**

The bill amends s. 196.101(2), F.S., to delete the requirement that a person who is totally and permanently disabled, as defined in s. 196.012(11), F.S., must also use a wheelchair for mobility in order to qualify for an exemption of the total value of homestead property from ad valorem taxation.

The bill takes effect January 1, 2008.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

Pursuant to s. 18, Art. VII of the State Constitution, a bill that reduces the authority of municipalities or counties to raise revenues in the aggregate as such authority existed on 2/1/89 may only take effect if the bill is passed by a two-thirds vote of each house.

#### **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:**

This bill would allow persons who are totally and permanently disabled, as defined in s. 196.012(11), F.S., but who do not use a wheelchair for mobility to qualify for an exemption of the total value of homestead property from ad valorem taxation.

**C. Government Sector Impact:**

Although the additional number of persons who will qualify for an exemption of the total value of homestead property from ad valorem taxation is unknown, the fiscal impact of the bill is, at a minimum, \$9.5 million annually.<sup>2</sup>

**VI. Technical Deficiencies:**

The “Physician’s Certification of Total and Permanent Disability” in s. 196.101(5), F.S., should be amended to delete the phrase “requiring use of a wheelchair for mobility.”

**VII. Related Issues:**

None.

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This Senate Professional Staff Analysis does not reflect the intent or official position of the bill’s introducer or the Florida Senate.

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<sup>2</sup> This estimate is for 2005-2006. A more current estimate is not available.



## **VIII. Summary of Amendments:**

None.

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