

Amendment No.

CHAMBER ACTION

Senate

House

1 Representative M. Davis offered the following:

2
3 **Amendment (with title amendment)**

4 Between lines 521 and 522, insert:

5 Section 9. Sections 197.307, 197.3071, 197.3072, 197.3073,
6 197.3074, 197.3075, 197.3076, 197.3077, 197.3078, and 197.3079,
7 Florida Statutes, are created to read:

8 197.307 Deferrals for ad valorem taxes and non-ad valorem
9 assessments on affordable rental housing property.--

10 (1) A board of county commissioners or the governing
11 authority of a municipality may adopt an ordinance to allow for
12 ad valorem tax deferrals on affordable rental housing if the
13 owners are engaging in the operation, rehabilitation, or
14 renovation of such properties in accordance with the guidelines
15 provided in part VI of chapter 420.

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16 (2) The board of county commissioners or the governing
17 authority of a municipality may also, by ordinance, authorize
18 the deferral of non-ad valorem assessments, as defined in s.
19 197.3632, on affordable rental housing.

20 (3) The ordinance must designate the percentage or amount
21 of the deferral and the type and location of affordable rental
22 housing property for which a deferral may be granted. The
23 ordinance may also require the property to be located within a
24 particular geographic area or areas of the county or
25 municipality.

26 (4) The ordinance must specify that the deferral applies
27 only to taxes and assessments levied by the unit of government
28 granting the deferral. However, a deferral may not be granted
29 for taxes or non-ad valorem assessments levied for the payment
30 of bonds or for taxes authorized by a vote of the electors
31 pursuant to s. 9(b) or s. 12, Art. VII of the State
32 Constitution.

33 (5) The ordinance must specify that any deferral granted
34 remains in effect for the period for which it is granted
35 regardless of any change in the authority of the county or
36 municipality to grant the deferral. In order to retain the
37 deferral, however, the use and ownership of the property as
38 affordable rental housing must be maintained over the period for
39 which the deferral is granted.

40 (6) If an application for tax deferral is granted on
41 property that is located in a community redevelopment area as
42 defined in s. 163.340:

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43 (a) The amount of taxes eligible for deferral must be
44 reduced, as provided for in paragraph (b), if:

45 1. The community redevelopment agency has previously
46 issued instruments of indebtedness which are secured by
47 increment revenues on deposit in the community redevelopment
48 trust fund; and

49 2. The instruments of indebtedness are associated with the
50 real property applying for the deferral.

51 (b) The tax deferral does not apply to an amount of taxes
52 equal to the amount that must be deposited into the community
53 redevelopment trust fund by the entity granting the deferral
54 based upon the taxable value of the property upon which the
55 deferral is being granted. Once all instruments of indebtedness
56 that existed at the time the deferral was originally granted are
57 no longer outstanding or have otherwise been defeased, this
58 paragraph no longer applies.

59 (c) If a portion of the taxes on a property are not
60 eligible for deferral as provided under paragraph (b), the
61 community redevelopment agency shall notify the property owner
62 and the tax collector 1 year before the debt instruments that
63 prevented such taxes from being deferred are no longer
64 outstanding or otherwise defeased.

65 (d) The tax collector shall notify a community
66 redevelopment agency of any tax deferral that has been granted
67 on property located within the agency's community redevelopment
68 area.

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69 (e) Issuance of debt obligation after the date a deferral
70 has been granted does not reduce the amount of taxes eligible
71 for deferral.

72 (7) The tax collector shall notify:

73 (a) The taxpayer of each parcel appearing on the real
74 property assessment roll of the law allowing the deferral of
75 taxes, non-ad valorem assessments, and interest under ss.
76 197.307-197.3079. Such notice shall be printed on the back of
77 envelopes used to mail the notice of taxes as provided under s.
78 197.322(3). Such notice shall read:

79
80 NOTICE TO TAXPAYERS OWNING

81
82 AFFORDABLE RENTAL HOUSING PROPERTY

83
84 If your property meets certain conditions you may qualify for a
85 deferred tax payment plan on your affordable rental housing
86 property. An application to determine your eligibility is
87 available in the county tax collector's office.

88 (b) On or before November 1 of each year, each taxpayer
89 for whom a tax deferral has been previously granted of the
90 accumulated sum of deferred taxes, non-ad valorem assessments,
91 and interest outstanding.

92 197.3071 Eligibility for tax deferral.--The tax deferral
93 authorized by this section is applicable only on a prorata basis
94 to the ad valorem taxes levied on residential units within a
95 property which meet the following conditions:

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96 (1) Units for which the monthly rent along with taxes,
97 insurance, and utilities does not exceed 30 percent of the
98 median adjusted gross annual income as defined in s. 420.0004
99 for the households described in subsection (2).

100 (2) Units that are occupied by extremely-low-income
101 persons, very-low-income persons, low-income persons, or
102 moderate-income persons as these terms are defined in s.
103 420.0004.

104 197.3072 Deferral for affordable rental housing
105 properties.--

106 (1) Any property owner in a jurisdiction that has adopted
107 an ad valorem tax-deferral ordinance or a deferral of non-ad
108 valorem assessments ordinance pursuant to s. 197.307 and who
109 owns an eligible affordable rental housing property as described
110 in s. 197.3071 may apply for a deferral of payment by filing an
111 annual application for deferral with the county tax collector on
112 or before January 31 following the year in which the taxes and
113 non-ad valorem assessments are assessed. The property owner has
114 the burden to affirmatively demonstrate compliance with the
115 requirements of this section.

116 (2) Approval by the tax collector defers that portion of
117 the combined total of ad valorem taxes and any non-ad valorem
118 assessments plus interest that are authorized to be deferred by
119 an ordinance enacted pursuant to s. 197.307.

120 (3) Deferral may not be granted if:

121 (a) The total amount of deferred taxes, non-ad valorem
122 assessments, and interest plus the total amount of all other

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123 unsatisfied liens on the property exceeds 85 percent of the
124 assessed value of the property; or

125 (b) The primary financing on the affordable rental housing
126 property is for an amount that exceeds 70 percent of the
127 assessed value of the property.

128 (4) The amount of taxes deferred, non-ad valorem
129 assessments, and interest shall accrue interest at a rate equal
130 to the annually compounded rate of 3 percent plus the Consumer
131 Price Index for All Urban Consumers; however, the interest rate
132 may not exceed 9.5 percent.

133 (5) The deferred taxes, non-ad valorem assessments, and
134 interest constitute a prior lien on the affordable rental
135 housing property and shall attach as of the date and in the same
136 manner and be collected as other liens for taxes as provided for
137 under this chapter, but such deferred taxes, non-ad valorem
138 assessments, and interest are due, payable, and delinquent as
139 provided in ss. 197.307-197.3079.

140 197.3073 Deferral application.--

141 (1) The application for a deferral of ad valorem taxes and
142 non-ad valorem assessments must be made annually upon a form
143 prescribed by the department and furnished by the county tax
144 collector. The application form must be signed under oath by the
145 property owner applying for the deferral before an officer
146 authorized by the state to administer oaths. The application
147 form must provide notice to the property owner of the manner in
148 which interest is computed. The application form must contain an
149 explanation of the conditions to be met for approval of the
150 deferral and the conditions under which deferred taxes, non-ad

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151 valorem assessments, and interest become due, payable, and
152 delinquent. Each application must clearly state that all
153 deferrals pursuant to this section constitute a lien on the
154 property for which the deferral is granted. The tax collector
155 may require the property owner to submit any other evidence and
156 documentation considered necessary by the tax collector in
157 reviewing the application.

158 (2) The tax collector shall consider and render his or her
159 findings, determinations, and decision on each annual
160 application for a deferral for affordable rental housing within
161 45 days after the date the application is filed. The tax
162 collector shall exercise reasonable discretion based upon
163 applicable information available under this section. The
164 determinations and findings of the tax collector are not quasi
165 judicial and are subject exclusively to review by the value
166 adjustment board as provided by this section. A tax collector
167 who finds that a property owner is entitled to the deferral
168 shall approve the application and file the application in the
169 permanent records.

170 (a) A tax collector who finds that a property owner is not
171 entitled to the deferral shall send a notice of disapproval
172 within 45 days after the date the application is filed, giving
173 reasons for the disapproval. The notice must be sent by personal
174 delivery or registered mail to the mailing address given by the
175 property owner in the manner in which the original notice was
176 served upon the property owner and must be filed among the
177 permanent records of the tax collector's office. The original
178 notice of disapproval sent to the property owner shall advise

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179 the property owner of the right to appeal the decision of the
180 tax collector to the value adjustment board and provide the
181 procedures for filing an appeal.

182 (b) An appeal by the property owner of the decision of the
183 tax collector to deny the deferral must be submitted to the
184 value adjustment board on a form prescribed by the department
185 and furnished by the tax collector. The appeal must be filed
186 with the value adjustment board within 20 days after the
187 applicant's receipt of the notice of disapproval, and the board
188 must approve or disapprove the appeal within 30 days after
189 receipt of the appeal. The value adjustment board shall review
190 the application and the evidence presented to the tax collector
191 upon which the property owner based a claim for deferral and, at
192 the election of the property owner, shall hear the property
193 owner in person, or by agent on the property owner's behalf,
194 concerning his or her right to the deferral. The value
195 adjustment board shall reverse the decision of the tax collector
196 and grant a deferral to the property owner if, in its judgment,
197 the property owner is entitled to the deferral or shall affirm
198 the decision of the tax collector. Action by the value
199 adjustment board is final unless the property owner or tax
200 collector or other lienholder, within 15 days after the date of
201 disapproval of the application by the board, files for a de novo
202 proceeding for a declaratory judgment or other appropriate
203 proceeding in the circuit court of the county in which the
204 property is located.

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205 (3) Each application for deferral must contain a list of,
206 and the current value of, all outstanding liens on the property
207 for which a deferral is requested.

208 (4) For approved applications, the date the deferral
209 application is received by the tax collector shall be the date
210 used in calculating taxes due and payable at the expiration of
211 the tax deferral net of discounts for early payment.

212 (5) If proof has not been furnished with a prior
213 application, each property owner shall furnish proof of fire and
214 extended coverage insurance in an amount that is in excess of
215 the sum of all outstanding liens including a lien for the
216 deferred taxes, non-ad valorem assessments, and interest with a
217 loss payable clause to the county tax collector.

218 (6) The tax collector shall notify the property appraiser
219 in writing of those parcels for which taxes or assessments have
220 been deferred.

221 (7) The property appraiser shall promptly notify the tax
222 collector of changes in ownership or use of properties that have
223 been granted a deferral.

224 (8) The property owner shall promptly notify the tax
225 collector of changes in ownership or use of properties that have
226 been granted tax deferrals.

227 197.3074 Deferred payment tax certificates.--

228 (1) The tax collector shall notify each local governing
229 body of the amount of taxes and non-ad valorem assessments
230 deferred which would otherwise have been collected for the
231 governing body. The tax collector shall, at the time of the tax
232 certificate sale held under s. 197.432 strike each certificate
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233 off to the county. Certificates issued under this section are
234 exempt from the public sale of tax certificates held pursuant to
235 s. 197.432.

236 (2) The certificates held by the county shall bear
237 interest at a rate equal to the annually compounded rate of 3
238 percent plus the Consumer Price Index for All Urban Consumers;
239 however, the interest rate may not exceed 9.5 percent.

240 197.3075 Change in use or ownership of property.--

241 (1) If there is a change in use or ownership of the
242 property that has been granted an ad valorem tax or non-ad
243 valorem assessment deferral such that the property owner is no
244 longer entitled to claim the property as an affordable rental
245 housing property, or if there is a change in the legal or
246 beneficial ownership of the property, or if the owner fails to
247 maintain the required fire and extended insurance coverage, the
248 total amount of deferred taxes, non-ad valorem assessments, and
249 interest for all previous years becomes due and payable November
250 1 of the year in which the change in use or ownership occurs or
251 on the date failure to maintain insurance occurs, and is
252 delinquent on April 1 of the year following the year in which
253 the change in use or ownership or failure to maintain insurance
254 occurs.

255 (2) Whenever the property appraiser discovers that there
256 has been a change in the use or ownership of the property that
257 has been granted a deferral, the property appraiser shall notify
258 the tax collector in writing of the date such change occurs, and
259 the tax collector shall collect any taxes, non-ad valorem
260 assessments, and interest due or delinquent.

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261 (3) During any year in which the total amount of deferred
262 taxes, non-ad valorem assessments, interest, and all other
263 unsatisfied liens on the property exceeds 85 percent of the
264 assessed value of the property, the tax collector shall
265 immediately notify the property owner that the portion of taxes,
266 non-ad valorem assessments, and interest which exceeds 85
267 percent of the assessed value of the property is due and payable
268 within 30 days after receipt of the notice. Failure to pay the
269 amount due shall cause the total amount of deferred taxes, non-
270 ad valorem assessments, and interest to become delinquent.

271 (4) If on or before June 1 following the date the taxes
272 deferred under this subsection become delinquent, the tax
273 collector shall sell a tax certificate for the delinquent taxes
274 and interest in the manner provided by s. 197.432.

275 197.3076 Prepayment of deferred taxes and non-ad valorem
276 assessments.--

277 (1) All or part of the deferred taxes, non-ad valorem
278 assessments, and accrued interest may at any time be paid to the
279 tax collector by:

280 (a) The property owner; or

281 (b) The property owner's next of kin, heir, child, or any
282 person having or claiming a legal or equitable interest in the
283 property, if an objection is not made by the owner within 30
284 days after the tax collector notifies the property owner of the
285 fact that such payment has been tendered.

286 (2) Any partial payment made pursuant to this section
287 shall be applied first to accrued interest.

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288 197.3077 Distribution of payments.--When any deferred tax,
289 non-ad valorem assessment, or interest is collected, the tax
290 collector shall maintain a record of the payment, setting forth
291 a description of the property and the amount of taxes or
292 interest collected for the property. The tax collector shall
293 distribute payments received in accordance with the procedures
294 for distributing ad valorem taxes, non-ad valorem assessments,
295 or redemption moneys as prescribed in this chapter.

296 197.3078 Construction.--This section does not prevent the
297 collection of personal property taxes that become a lien against
298 tax-deferred property, or defer payment of special assessments
299 to benefited property other than those specifically allowed to
300 be deferred, or affect any provision of any mortgage or other
301 instrument relating to property requiring a person to pay ad
302 valorem taxes or non-ad valorem assessments.

303 197.3079 Penalties.--

304 (1) The following penalties shall be imposed on any person
305 who willfully files information required under this section
306 which is incorrect:

307 (a) The person shall pay the total amount of deferred
308 taxes, non-ad valorem assessments, and interest which shall
309 immediately become due;

310 (b) The person shall be disqualified from filing a tax-
311 deferral application for the next 3 years; and

312 (c) The person shall pay a penalty of 25 percent of the
313 total amount of taxes, non-ad valorem assessments, and interest
314 deferred.

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315 (2) Any person against whom penalties have been imposed
316 may appeal to the value adjustment board within 30 days after
317 the date the penalties were imposed.

318

319 ===== T I T L E A M E N D M E N T =====

320 Between lines 35 and 36, insert:

321 creating ss. 197.307, 197.3071, 197.3072, 197.3073, 197.3074,
322 197.3075, 197.3076, 197.3077, 197.3078, and 197.3079, F.S.;

323 authorizing a county commission or municipality to adopt an
324 ordinance providing for the deferral of ad valorem taxes and
325 non-ad valorem assessments for affordable rental housing
326 property under certain conditions; requiring the tax collector
327 to provide certain notices to taxpayers about deferrals;
328 providing specifications for such ordinances; providing
329 eligibility requirements; authorizing a property owner to defer
330 payment of ad valorem taxes and certain assessments; providing
331 circumstances in which taxes and assessments may not be
332 deferred; specifying the rate for deferment; providing that the
333 taxes, assessments, and interest deferred constitute a prior
334 lien on the property; providing an application process;
335 providing notice requirements for applications that are not
336 approved for deferment; providing an appeals process; requiring
337 applications for deferral to contain a list of outstanding
338 liens; providing the date for calculating taxes due and payable;
339 requiring that a property owner furnish proof of certain
340 insurance coverage under certain conditions; requiring the tax
341 collector and the property owner to notify the property
342 appraiser of parcels for which taxes and assessments have been
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343 deferred; requiring the property appraiser to notify the tax
344 collector of changes in ownership or use of tax-deferred
345 properties; providing requirements for tax certificates for
346 deferred payment; providing the rate of interest; providing
347 circumstances in which deferrals cease; requiring the property
348 appraiser to notify the tax collector of deferrals that have
349 ceased; requiring the tax collector to collect taxes,
350 assessments and interest due; requiring the tax collector to
351 notify the property owner of due taxes on tax-deferred property
352 under certain conditions; requiring the tax collector to sell a
353 tax certificate under certain circumstances; specifying persons
354 who may pay deferred taxes, assessments and accrued interest;
355 requiring the tax collector to maintain a record of payment and
356 to distribute payments; providing for construction of provisions
357 authorizing the deferments; providing penalties;