

By Senator Bennett

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 4 and 6 of Article VII and the creation of a new section in Article XII of the State Constitution, to authorize portability in certain circumstances of the limitation in the difference between the just value and the assessed value for homestead property as a local option, authorize a limitation in the difference between the just value and the assessed value for nonhomestead property as a local option, increase the amount of the homestead exemption from \$25,000 to \$50,000, provide that the first \$25,000 of assessed valuation is taxable and the next \$50,000 is exempt, and provide an effective date if such changes are adopted.

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

That the following amendments to Sections 4 and 6 of Article VII and the creation of a new section in Article XII of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

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:

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

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

10 (c) All persons entitled to a homestead exemption
11 under Section 6 of this Article shall have their homestead
12 assessed at just value as of January 1 of the year following
13 the effective date of this amendment. This assessment shall
14 change only as provided herein.

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

19 a. Three percent (3%) of the assessment for the prior
20 year.

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

26 (2) No assessment shall exceed just value.

27 (3) After any change of ownership, as provided by
28 general law, homestead property shall be assessed at just
29 value as of January 1 of the following year, unless the
30 provisions of paragraph (8) apply. Thereafter, the homestead
31 shall be assessed as provided herein.

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

6 (5) Changes, additions, reductions, or improvements to
7 homestead property shall be assessed as provided for by
8 general law; provided, however, after the adjustment for any
9 change, addition, reduction, or improvement, the property
10 shall be assessed as provided herein.

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

13 (7) The provisions of this amendment are severable. If
14 any of the provisions of this amendment shall be held
15 unconstitutional by any court of competent jurisdiction, the
16 decision of such court shall not affect or impair any
17 remaining provisions of this amendment.

18 (8) This paragraph shall take effect only if approved
19 by a majority vote of the governing body of a county or in a
20 referendum of the registered voters in the county and shall
21 apply to all homestead property within that county and within
22 its municipalities. When a person sells or transfers his or
23 her homestead property within this state and within one year
24 establishes in the same county another property as his or her
25 new homestead, the newly established homestead property shall
26 be initially assessed at less than just value, as provided by
27 general law. The difference between the new homestead
28 property's just value and its assessed value in the first year
29 the homestead is established may not exceed the difference
30 between the previous homestead's just value and its assessed
31 value in the year of sale. In addition, to be assessed as

1 provided in this paragraph, the assessed value of the new
2 homestead must equal or exceed the assessed value of the
3 previous homestead. Thereafter, the homestead shall be
4 assessed as provided herein.

5 (d) The legislature may, by general law, for
6 assessment purposes and subject to the provisions of this
7 subsection, allow counties and municipalities to authorize by
8 ordinance that historic property may be assessed solely on the
9 basis of character or use. Such character or use assessment
10 shall apply only to the jurisdiction adopting the ordinance.
11 The requirements for eligible properties must be specified by
12 general law.

13 (e) A county may, in the manner prescribed by general
14 law, provide for a reduction in the assessed value of
15 homestead property to the extent of any increase in the
16 assessed value of that property which results from the
17 construction or reconstruction of the property for the purpose
18 of providing living quarters for one or more natural or
19 adoptive grandparents or parents of the owner of the property
20 or of the owner's spouse if at least one of the grandparents
21 or parents for whom the living quarters are provided is 62
22 years of age or older. Such a reduction may not exceed the
23 lesser of the following:

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

26 (2) Twenty percent of the total assessed value of the
27 property as improved.

28 (f) If approved by a majority vote of the governing
29 body of a county or in a referendum of the registered voters
30 in the county, the annual change in assessments for
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1 nonhomestead real property in that county may not exceed the
2 lesser of the following:

3 (1) Five percent (5%) of the assessment for the prior
4 year.

5 (2) The percent change in the Consumer Price Index for
6 all urban consumers, U.S. City Average, all items 1967=100, or
7 successor reports for the preceding calendar year as initially
8 reported by the United States Department of Labor, Bureau of
9 Labor Statistics.

10 SECTION 6. Homestead exemptions.--

11 (a) Every person who has the legal or equitable title
12 to real estate and maintains thereon the permanent residence
13 of the owner, or another legally or naturally dependent upon
14 the owner, shall be exempt from taxation thereon, except
15 assessments for special benefits, on the amount of the
16 assessed valuation after the first \$25,000 of assessed
17 valuation and up to and including the assessed valuation of
18 seventy-five ~~five~~ thousand dollars, upon establishment of
19 right thereto in the manner prescribed by law. The real
20 estate may be held by legal or equitable title, by the
21 entireties, jointly, in common, as a condominium, or
22 indirectly by stock ownership or membership representing the
23 owner's or member's proprietary interest in a corporation
24 owning a fee or a leasehold initially in excess of
25 ninety-eight years. The exemption shall not apply with respect
26 to any assessment roll until such roll is first determined to
27 be in compliance with the provisions of section 4 by a state
28 agency designated by general law. This exemption shall stand
29 repealed on the effective date of any amendment to section 4
30 which provides for the assessment of homestead property at a
31 specified percentage of its just value.

1 (b) Not more than one exemption shall be allowed any
2 individual or family unit or with respect to any residential
3 unit. No exemption shall exceed the value of the real estate
4 assessable to the owner or, in case of ownership through stock
5 or membership in a corporation, the value of the proportion
6 which the interest in the corporation bears to the assessed
7 value of the property.

8 ~~(c) By general law and subject to conditions specified~~
9 ~~therein, the exemption shall be increased to a total of~~
10 ~~twenty five thousand dollars of the assessed value of the real~~
11 ~~estate for each school district levy. By general law and~~
12 ~~subject to conditions specified therein, the exemption for all~~
13 ~~other levies may be increased up to an amount not exceeding~~
14 ~~ten thousand dollars of the assessed value of the real estate~~
15 ~~if the owner has attained age sixty five or is totally and~~
16 ~~permanently disabled and if the owner is not entitled to the~~
17 ~~exemption provided in subsection (d).~~

18 ~~(d) By general law and subject to conditions specified~~
19 ~~therein, the exemption shall be increased to a total of the~~
20 ~~following amounts of assessed value of real estate for each~~
21 ~~levy other than those of school districts: fifteen thousand~~
22 ~~dollars with respect to 1980 assessments; twenty thousand~~
23 ~~dollars with respect to 1981 assessments; twenty five thousand~~
24 ~~dollars with respect to assessments for 1982 and each year~~
25 ~~thereafter. However, such increase shall not apply with~~
26 ~~respect to any assessment roll until such roll is first~~
27 ~~determined to be in compliance with the provisions of section~~
28 ~~4 by a state agency designated by general law. This~~
29 ~~subsection shall stand repealed on the effective date of any~~
30 ~~amendment to section 4 which provides for the assessment of~~
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1 ~~homestead property at a specified percentage of its just~~
2 ~~value.~~

3 (c)~~(e)~~ By general law and subject to conditions
4 specified therein, the Legislature may provide to renters, who
5 are permanent residents, ad valorem tax relief on all ad
6 valorem tax levies. Such ad valorem tax relief shall be in the
7 form and amount established by general law.

8 (d)~~(f)~~ The legislature may, by general law, allow
9 counties or municipalities, for the purpose of their
10 respective tax levies and subject to the provisions of general
11 law, to grant an additional homestead tax exemption not
12 exceeding fifty thousand dollars to any person who has the
13 legal or equitable title to real estate and maintains thereon
14 the permanent residence of the owner and who has attained age
15 sixty-five and whose household income, as defined by general
16 law, does not exceed twenty thousand dollars. The general law
17 must allow counties and municipalities to grant this
18 additional exemption, within the limits prescribed in this
19 subsection, by ordinance adopted in the manner prescribed by
20 general law, and must provide for the periodic adjustment of
21 the income limitation prescribed in this subsection for
22 changes in the cost of living.

23 (e)~~(g)~~ Each veteran who is age 65 or older who is
24 partially or totally permanently disabled shall receive a
25 discount from the amount of the ad valorem tax otherwise owed
26 on homestead property the veteran owns and resides in if the
27 disability was combat related, the veteran was a resident of
28 this state at the time of entering the military service of the
29 United States, and the veteran was honorably discharged upon
30 separation from military service. The discount shall be in a
31 percentage equal to the percentage of the veteran's permanent,

1 service-connected disability as determined by the United
2 States Department of Veterans Affairs. To qualify for the
3 discount granted by this subsection, an applicant must submit
4 to the county property appraiser, by March 1, proof of
5 residency at the time of entering military service, an
6 official letter from the United States Department of Veterans
7 Affairs stating the percentage of the veteran's
8 service-connected disability and such evidence that reasonably
9 identifies the disability as combat related, and a copy of the
10 veteran's honorable discharge. If the property appraiser
11 denies the request for a discount, the appraiser must notify
12 the applicant in writing of the reasons for the denial, and
13 the veteran may reapply. The Legislature may, by general law,
14 waive the annual application requirement in subsequent years.
15 This subsection shall take effect December 7, 2006, is
16 self-executing, and does not require implementing legislation.

17 ARTICLE XII

18 SCHEDULE

19 Homestead property assessment limitations; nonhomestead
20 property limitations; increased homestead exemption.--The
21 amendments to Sections 4 and 6 of Article VII, authorizing
22 portability of the limitations on the assessment of homestead
23 property as a local option, authorizing limitations on the
24 assessment of nonhomestead property as a local option,
25 increasing the amount of the homestead exemption, and
26 providing that the first \$25,000 of assessed valuation is
27 taxable and the next \$50,000 is exempt shall take effect
28 January 1, 2009.

29 BE IT FURTHER RESOLVED that the following statement be
30 placed on the ballot:

31 CONSTITUTIONAL AMENDMENT

1 ARTICLE VII, SECTIONS 4 AND 6

2 ARTICLE XII

3 TAXATION; HOMESTEAD PROPERTY ASSESSMENTS.--Proposing an
4 amendment to the State Constitution to authorize, upon
5 approval by a majority vote of a county's governing body or in
6 a referendum of registered voters in the county, that new
7 homestead property within the county be assessed at less than
8 just value if the property is purchased within 1 year after
9 the sale of the prior homestead property in the same county;
10 to provide that the difference between the new property's just
11 value and its assessed value in that first year may not exceed
12 the difference between the previous homestead's just value and
13 its assessed value in the year of sale; to provide that the
14 assessed value of the new homestead must equal or exceed the
15 assessed value of the previous homestead; to authorize a
16 county, upon approval by a majority vote of its governing body
17 or in a referendum of registered voters in the county, to
18 limit the annual increase in assessments for nonhomestead real
19 property to the lesser of 5 percent or the Consumer Price
20 Index; to authorize an increase in the homestead property tax
21 exemption from \$25,000 to \$50,000; to provide that, rather
22 than the present exemption from ad valorem taxation for the
23 first \$25,000 of assessed value of homestead property, the
24 first \$25,000 is taxable and the next \$50,000 is exempt; and
25 to schedule the amendments to take effect January 1, 2009, if
26 adopted.