

Amendment No.

CHAMBER ACTION

Senate

House

.

1 Representative(s) Gelber offered the following:

2

3 **Substitute Amendment for Amendment (105513) (with ballot**
4 **statement and title amendments)**

5 Remove lines 22-383 and insert:

6 That the following amendments to Sections 3, 4, and 9 of
7 Article VII and the creation of Section 27 of Article XII of the
8 State Constitution are agreed to and shall be submitted to the
9 electors of this state for approval or rejection at the next
10 general election or at an earlier special election specifically
11 authorized by law for that purpose:

12 ARTICLE VII

13 FINANCE AND TAXATION

14 SECTION 3. Taxes; exemptions.--

15 (a) All property owned by a municipality and used
16 exclusively by it for municipal or public purposes shall be

107155

4/16/2007 4:57:16 PM

Amendment No.

17 exempt from taxation. A municipality, owning property outside
18 the municipality, may be required by general law to make payment
19 to the taxing unit in which the property is located. Such
20 portions of property as are used predominantly for educational,
21 literary, scientific, religious or charitable purposes may be
22 exempted by general law from taxation.

23 (b) There shall be exempt from taxation, cumulatively, to
24 every head of a family residing in this state, household goods
25 and personal effects to the value fixed by general law, not less
26 than one thousand dollars, and to every widow or widower or
27 person who is blind or totally and permanently disabled,
28 property to the value fixed by general law not less than five
29 hundred dollars.

30 (c) Any county or municipality may, for the purpose of its
31 respective tax levy and subject to the provisions of this
32 subsection and general law, grant community and economic
33 development ad valorem tax exemptions to new businesses and
34 expansions of existing businesses, as defined by general law.
35 Such an exemption may be granted only by ordinance of the county
36 or municipality, and only after the electors of the county or
37 municipality voting on such question in a referendum authorize
38 the county or municipality to adopt such ordinances. An
39 exemption so granted shall apply to improvements to real
40 property made by or for the use of a new business and
41 improvements to real property related to the expansion of an
42 existing business and shall also apply to tangible personal
43 property of such new business and tangible personal property
44 related to the expansion of an existing business. The amount or
107155

4/16/2007 4:57:16 PM

Amendment No.

45 limits of the amount of such exemption shall be specified by
46 general law. The period of time for which such exemption may be
47 granted to a new business or expansion of an existing business
48 shall be determined by general law. The authority to grant such
49 exemption shall expire ten years from the date of approval by
50 the electors of the county or municipality, and may be renewable
51 by referendum as provided by general law.

52 (d) By general law and subject to conditions specified
53 therein, there may be granted an ad valorem tax exemption to a
54 renewable energy source device and to real property on which
55 such device is installed and operated, to the value fixed by
56 general law not to exceed the original cost of the device, and
57 for the period of time fixed by general law not to exceed ten
58 years.

59 (e) Any county or municipality may, for the purpose of its
60 respective tax levy and subject to the provisions of this
61 subsection and general law, grant historic preservation ad
62 valorem tax exemptions to owners of historic properties. This
63 exemption may be granted only by ordinance of the county or
64 municipality. The amount or limits of the amount of this
65 exemption and the requirements for eligible properties must be
66 specified by general law. The period of time for which this
67 exemption may be granted to a property owner shall be determined
68 by general law.

69 (f) By general law and subject to conditions specified
70 therein, tangible personal property up to a value of twenty-five
71 thousand dollars shall be exempt from taxation.

107155

4/16/2007 4:57:16 PM

Amendment No.

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

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

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

83 (c) All persons entitled to a homestead exemption under
84 Section 6 of this Article shall have their homestead assessed at
85 just value as of January 1 of the year following the effective
86 date of this amendment. This assessment shall change only as
87 provided herein.

88 (1) Assessments subject to this provision shall be changed
89 annually on January 1st of each year; but those changes in
90 assessments shall not exceed the lower of the following, but the
91 total benefit provided by this paragraph shall not exceed four
92 times the median just value of all homestead properties located
93 in the county the property is located as such just value existed
94 on January 1, 2007. A person may apply to a replacement
95 homestead property one half the benefit granted by this
96 paragraph not to exceed three hundred thousand dollars, provided
97 the replacement property's just value is greater than the prior
98 property's just value and one half the benefit not to exceed
99 three hundred thousand dollars or one half the value of the

107155

4/16/2007 4:57:16 PM

Amendment No.

100 replacement property, whichever is less, when the replacement
101 property's just value is less than the prior property's just
102 value:

103 a. Three percent (3%) of the assessment for the prior
104 year.

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

110 (2) No assessment shall exceed just value.

111 (3) After any change of ownership, as provided by general
112 law, homestead property shall be assessed at just value as of
113 January 1 of the following year. Thereafter, the homestead shall
114 be assessed as provided herein.

115 (4) New homestead property shall be assessed at just value
116 as of January 1st of the year following the establishment of the
117 homestead. That assessment shall only change as provided herein.

118 (5) Changes, additions, reductions, or improvements to
119 homestead property shall be assessed as provided for by general
120 law; provided, however, after the adjustment for any change,
121 addition, reduction, or improvement, the property shall be
122 assessed as provided herein.

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

125 (7) The provisions of this amendment are severable. If any
126 of the provisions of this amendment shall be held
127 unconstitutional by any court of competent jurisdiction, the

107155

4/16/2007 4:57:16 PM

Amendment No.

128 decision of such court shall not affect or impair any remaining
129 provisions of this amendment.

130 (d) The legislature may, by general law, for assessment
131 purposes and subject to the provisions of this subsection, allow
132 counties and municipalities to authorize by ordinance that
133 historic property may be assessed solely on the basis of
134 character or use. Such character or use assessment shall apply
135 only to the jurisdiction adopting the ordinance. The
136 requirements for eligible properties must be specified by
137 general law.

138 (e) A county may, in the manner prescribed by general law,
139 provide for a reduction in the assessed value of homestead
140 property to the extent of any increase in the assessed value of
141 that property which results from the construction or
142 reconstruction of the property for the purpose of providing
143 living quarters for one or more natural or adoptive grandparents
144 or parents of the owner of the property or of the owner's spouse
145 if at least one of the grandparents or parents for whom the
146 living quarters are provided is 62 years of age or older. Such a
147 reduction may not exceed the lesser of the following:

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

150 (2) Twenty percent of the total assessed value of the
151 property as improved.

152 SECTION 9. Local taxes.--

153 (a) Counties, school districts, and municipalities shall,
154 and special districts may, be authorized by law to levy ad
155 valorem taxes and may be authorized by general law to levy other
107155

4/16/2007 4:57:16 PM

Amendment No.

156 taxes, for their respective purposes, except ad valorem taxes on
157 intangible personal property and taxes prohibited by this
158 constitution.

159 (b) Ad valorem taxes, exclusive of taxes levied for the
160 payment of bonds and taxes levied for periods not longer than
161 two years when authorized by vote of the electors who are the
162 owners of freeholds therein not wholly exempt from taxation,
163 shall not be levied in excess of the following millages upon the
164 assessed value of real estate and tangible personal property:
165 for all county purposes, ten mills; for all municipal purposes,
166 ten mills; for all school purposes, ten mills; for water
167 management purposes for the northwest portion of the state lying
168 west of the line between ranges two and three east, 0.05 mill;
169 for water management purposes for the remaining portions of the
170 state, 1.0 mill; and for all other special districts a millage
171 authorized by law approved by vote of the electors who are
172 owners of freeholds therein not wholly exempt from taxation. A
173 county furnishing municipal services may, to the extent
174 authorized by law, levy additional taxes within the limits fixed
175 for municipal purposes.

176 (c) Subject to the limitations provided for in subsection

177 (b) :

178 (1)a. Ad valorem taxes may not be levied in excess of a
179 millage rate equal to the rolled-back rate adjusted by the
180 percentage change in the Consumer Price Index for all urban
181 consumers, U.S. City Average, all items 1982-84 = 100, or
182 successor reports, for the 12-month period through June prior to
183 the beginning of the fiscal year as initially reported by the
107155

4/16/2007 4:57:16 PM

Amendment No.

184 United States Department of Labor, Bureau of Labor Statistics.
185 For purposes of this paragraph, the term "rolled-back rate"
186 means a millage rate that, exclusive of new construction,
187 additions to structures, deletions, increases in the value of
188 improvements that have undergone a substantial rehabilitation
189 that increased the assessed value of such improvements by at
190 least one hundred percent, and property added due to geographic
191 boundary changes, will provide the same ad valorem tax revenue
192 for each taxing authority as was levied during the immediately
193 preceding year. The rolled-back rate applicable for the year
194 tangible personal property is first exempt pursuant to Section 3
195 of this Article or homestead property is first exempt pursuant
196 to Section (6)(h) or (i) shall be calculated by using the ad
197 valorem tax revenue levied during the immediately preceding year
198 reduced by the taxes levied on the property being first exempt.

199 b. This paragraph does not apply to taxing authorities
200 that have levied ad valorem taxes for less than five years and
201 to millage rates required by the legislature to be levied by
202 school boards as required local effort from ad valorem taxes.

203 (2)a. For the fiscal year beginning October 1, 2008, ad
204 valorem taxes may not be levied in excess of the maximum millage
205 rate that would have resulted from the application of paragraph
206 (1) if paragraph (1) had been in effect beginning on January 1,
207 2004, and had been applied each year up to and including the
208 fiscal year beginning October 1, 2007.

209 b. A taxing authority that begins levying taxes after
210 January 1, 1999, may not levy ad valorem taxes in excess of the
211 maximum millage rate that would have resulted from the

107155

4/16/2007 4:57:16 PM

Amendment No.

212 application of paragraph (1) if paragraph (1) had been in effect
213 in the fifth full fiscal year in which the authority levied ad
214 valorem taxes and had been applied up to and including the
215 fiscal year beginning October 1, 2007.

216 c. This paragraph does not apply to ad valorem taxes
217 levied by school districts and independent special districts as
218 defined by general law. By general law and subject to conditions
219 specified therein, the legislature shall exempt taxes levied by
220 hospital and health care districts, children's services
221 districts, fiscally constrained counties, municipalities located
222 in a county considered a fiscally constrained county pursuant to
223 general law, and municipalities located in a rural area of
224 critical economic concern established pursuant to general law
225 from the provisions of this paragraph.

226 (3) Ad valorem taxes may be levied in excess of the
227 limitations provided in this subsection upon approval by a
228 unanimous vote of the full membership of the governing body
229 adopting the millage rate.

230 (4) This subsection does not apply to ad valorem taxes
231 levied for the payment of bonds issued pursuant to Section 12 of
232 this Article or levied for periods not longer than two years
233 when authorized by a vote of the electors.

234 (d) The aggregate amount of required local effort for all
235 school districts collectively to be raised from ad valorem taxes
236 each year may not exceed the aggregate amount required in the
237 immediately preceding prior year, adjusted by the percentage
238 that additions to the ad valorem tax base represent to the
239 entire ad valorem tax base and by the percentage change in the
107155

4/16/2007 4:57:16 PM

Amendment No.

240 Consumer Price Index for all urban consumers, U.S. City Average,
241 all items 1982-84 = 100, or successor reports, for the 12-month
242 period through June prior to the beginning of the fiscal year as
243 initially reported by the United States Department of Labor,
244 Bureau of Labor Statistics. For purposes of this subsection, the
245 term "additions to the ad valorem tax base" means new
246 construction, additions to structures, deletions, increases in
247 the value of improvements that have undergone a substantial
248 rehabilitation that increased the assessed value of such
249 improvements by at least one hundred percent, and property added
250 due to geographic boundary changes.

251 ARTICLE XII

252 SCHEDULE

253 SECTION 27. Property tax relief reform; nonseverability.--

254 (a) The amendments to Sections 3, 4, and 9 of Article VII
255 and the creation of this section of this constitution contained
256 in this revision shall take effect January 1, 2008.

257 (b) The amendments to Sections 3, 4, and 9 of Article VII
258 of this constitution contained in this revision are not
259 severable. If any portion of this revision is held invalid under
260 any provision of this constitution, the effect of such
261 declaration shall be that the amendments to Sections 3, 4, and 9
262 of Article VII of this constitution contained in this revision
263 shall be null, void, and without effect.

264
265 == B A L L O T S T A T E M E N T A M E N D M E N T ==

266 Remove lines 387-416 and insert:

267 ARTICLE VII, SECTIONS 3, 4, 9

107155

4/16/2007 4:57:16 PM

Amendment No.

ARTICLE XII, SECTION 27

PROPERTY TAX EXEMPTIONS; AD VALOREM TAX MILLAGE

LIMITATION.--Proposing amendment of the State Constitution to provide for a \$25,000 exemption from ad valorem taxes for tangible personal property; to limit the benefit of the Save Our Homes cap to four times the median just value of all homestead properties located in a county and to provide for portability of the homestead exemption to replacement homestead property, subject to specified limitations; to provide a methodology for limiting increases in ad valorem taxes, including an override by a unanimous vote of the governing body levying the millage; to limit the aggregate amount of required local effort for all school districts collectively; to require that provisions of the revision are not severable such that if any are held invalid, all will be invalid; and to provide an effective date of January 1, 2008.

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

Remove lines 2-18 and insert:

A joint resolution proposing amendments to Sections 3, 4, and 9 of Article VII and the creation of Section 27 of Article XII of the State Constitution to provide for an ad valorem tax exemption for tangible personal property, limit the benefit of the Save Our Homes cap and provide for portability of the homestead exemption, provide a methodology for limiting increases in ad valorem taxes,

107155

4/16/2007 4:57:16 PM

Amendment No.

295 | and provide applicability, nonseverability, and an
296 | effective date.