

House Joint Resolution

A joint resolution proposing amendments to Sections 3, 4, 6, and 9 of Article VII and the creation of Section 27 of Article XII of the State Constitution to authorize an exemption from ad valorem taxation for tangible personal property, revise the limitation in the difference between the just value and the assessed value for homestead property, provide for assessing rent-restricted affordable housing and commercial and public-access waterfront property by general law, increase the homestead exemption, require the Legislature to limit county, municipality, and special district authority to increase ad valorem taxes, provide for transitional assessments of homestead property, and provide an effective date.

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

That the following amendments to Sections 3, 4, 6, and 9 of Article VII and the creation of Section 27 of 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 3. Taxes; exemptions.--

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

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29 exempt from taxation. A municipality, owning property outside  
30 the municipality, may be required by general law to make payment  
31 to the taxing unit in which the property is located. Such  
32 portions of property as are used predominantly for educational,  
33 literary, scientific, religious or charitable purposes may be  
34 exempted by general law from taxation.

35 (b) There shall be exempt from taxation, cumulatively, to  
36 every head of a family residing in this state, household goods  
37 and personal effects to the value fixed by general law, not less  
38 than one thousand dollars, and to every widow or widower or  
39 person who is blind or totally and permanently disabled,  
40 property to the value fixed by general law not less than five  
41 hundred dollars.

42 (c) Any county or municipality may, for the purpose of its  
43 respective tax levy and subject to the provisions of this  
44 subsection and general law, grant community and economic  
45 development ad valorem tax exemptions to new businesses and  
46 expansions of existing businesses, as defined by general law.  
47 Such an exemption may be granted only by ordinance of the county  
48 or municipality, and only after the electors of the county or  
49 municipality voting on such question in a referendum authorize  
50 the county or municipality to adopt such ordinances. An  
51 exemption so granted shall apply to improvements to real  
52 property made by or for the use of a new business and  
53 improvements to real property related to the expansion of an  
54 existing business and shall also apply to tangible personal  
55 property of such new business and tangible personal property  
56 related to the expansion of an existing business. The amount or

57 | limits of the amount of such exemption shall be specified by  
 58 | general law. The period of time for which such exemption may be  
 59 | granted to a new business or expansion of an existing business  
 60 | shall be determined by general law. The authority to grant such  
 61 | exemption shall expire ten years from the date of approval by  
 62 | the electors of the county or municipality, and may be renewable  
 63 | by referendum as provided by general law.

64 |       (d) By general law and subject to conditions specified  
 65 | therein, there may be granted an ad valorem tax exemption to a  
 66 | renewable energy source device and to real property on which  
 67 | such device is installed and operated, to the value fixed by  
 68 | general law not to exceed the original cost of the device, and  
 69 | for the period of time fixed by general law not to exceed ten  
 70 | years.

71 |       (e) Any county or municipality may, for the purpose of its  
 72 | respective tax levy and subject to the provisions of this  
 73 | subsection and general law, grant historic preservation ad  
 74 | valorem tax exemptions to owners of historic properties. This  
 75 | exemption may be granted only by ordinance of the county or  
 76 | municipality. The amount or limits of the amount of this  
 77 | exemption and the requirements for eligible properties must be  
 78 | specified by general law. The period of time for which this  
 79 | exemption may be granted to a property owner shall be determined  
 80 | by general law.

81 |       (f) By general law and subject to conditions specified  
 82 | therein, not less than twenty-five thousand dollars of the  
 83 | assessed value of property subject to tangible personal property  
 84 | tax may be exempt from ad valorem taxation.

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

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

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

96 (c) All persons entitled to a homestead exemption under  
 97 Section 6 of this Article who are entitled to have their  
 98 homestead assessed under this subsection pursuant to Section 27  
 99 of Article XII shall have their homestead assessed ~~at just value~~  
 100 ~~as of January 1 of the year following the effective date of this~~  
 101 ~~amendment. This assessment shall change only as provided herein.~~

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

105 a. Three percent (3%) of the assessment for the prior  
 106 year.

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

112 (2) No assessment shall exceed just value.

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

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

120 (4)~~(5)~~ Changes, additions, reductions, or improvements to  
 121 homestead property shall be assessed as provided for by general  
 122 law; provided, however, after the adjustment for any change,  
 123 addition, reduction, or improvement, the property shall be  
 124 assessed as provided herein.

125 (5)~~(6)~~ In the event of a termination of homestead status,  
 126 the property shall be assessed at just value as of January 1 of  
 127 the following year ~~as provided by general law.~~

128 (6)~~(7)~~ The provisions of this amendment are severable. If  
 129 any of the provisions of this amendment shall be held  
 130 unconstitutional by any court of competent jurisdiction, the  
 131 decision of such court shall not affect or impair any remaining  
 132 provisions of this amendment.

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

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

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

153 (2) Twenty percent of the total assessed value of the  
 154 property as improved.

155 (f) As defined by general law, real property that is used  
 156 to provide affordable housing and is subject to rent  
 157 restrictions imposed by a governmental agency may be assessed as  
 158 provided by general law, subject to conditions or limitations  
 159 specified therein.

160 (g) As defined by general law, land that is used  
 161 exclusively for commercial fishing purposes or that is open to  
 162 the public and used predominantly for commercial water-dependent  
 163 activities or for public access to waters that are navigable may  
 164 be assessed as provided by general law, subject to conditions or  
 165 limitations specified therein. For purposes of this paragraph,  
 166 the term "water-dependent activity" means any activity that can  
 167 be conducted only on, in, over, or adjacent to waters that are

168 navigable and that requires direct access to water and involves  
 169 the use of water as an integral part of such activity.

170 SECTION 6. Homestead exemptions.--

171 (a) Every person who has the legal or equitable title to  
 172 real estate and maintains thereon the permanent residence of the  
 173 owner, or another legally or naturally dependent upon the owner,  
 174 shall be exempt from taxation ~~thereon~~, except assessments for  
 175 special benefits, on seventy-five percent of up to the just  
 176 assessed valuation of such property up to two hundred of five  
 177 thousand dollars and on fifteen percent of the just valuation of  
 178 such property above two hundred thousand dollars up to five  
 179 hundred thousand dollars, upon establishment of right thereto in  
 180 the manner prescribed by law. The five hundred thousand dollar  
 181 threshold shall be adjusted each year by the percentage change  
 182 in per capita personal income, as defined by general law, for  
 183 the previous year, and may be increased by general law enacted  
 184 by an affirmative vote of at least two-thirds of the membership  
 185 of each house of the legislature. The exemption shall not be  
 186 less than fifty thousand dollars but, for low-income seniors who  
 187 meet the eligibility criteria under subsection (d), the  
 188 exemption shall not be less than one hundred thousand dollars.  
 189 The real estate may be held by legal or equitable title, by the  
 190 entires, jointly, in common, as a condominium, or indirectly  
 191 by stock ownership or membership representing the owner's or  
 192 member's proprietary interest in a corporation owning a fee or a  
 193 leasehold initially in excess of ninety-eight years. The  
 194 exemption shall not apply with respect to any assessment roll  
 195 until such roll is first determined to be in compliance with the

196 provisions of section 4 by a state agency designated by general  
 197 law. This exemption is repealed on the effective date of any  
 198 amendment to this Article which provides for the assessment of  
 199 homestead property at less than just value.

200 (b) Not more than one exemption shall be allowed any  
 201 individual or family unit or with respect to any residential  
 202 unit. No exemption shall exceed the value of the real estate  
 203 assessable to the owner or, in case of ownership through stock  
 204 or membership in a corporation, the value of the proportion  
 205 which the interest in the corporation bears to the assessed  
 206 value of the property.

207 ~~(c) By general law and subject to conditions specified~~  
 208 ~~therein, the exemption shall be increased to a total of twenty-~~  
 209 ~~five thousand dollars of the assessed value of the real estate~~  
 210 ~~for each school district levy. By general law and subject to~~  
 211 ~~conditions specified therein, the exemption for all other levies~~  
 212 ~~may be increased up to an amount not exceeding ten thousand~~  
 213 ~~dollars of the assessed value of the real estate if the owner~~  
 214 ~~has attained age sixty-five or is totally and permanently~~  
 215 ~~disabled and if the owner is not entitled to the exemption~~  
 216 ~~provided in subsection (d).~~

217 ~~(d) By general law and subject to conditions specified~~  
 218 ~~therein, the exemption shall be increased to a total of the~~  
 219 ~~following amounts of assessed value of real estate for each levy~~  
 220 ~~other than those of school districts: fifteen thousand dollars~~  
 221 ~~with respect to 1980 assessments; twenty thousand dollars with~~  
 222 ~~respect to 1981 assessments; twenty-five thousand dollars with~~  
 223 ~~respect to assessments for 1982 and each year thereafter.~~



224 ~~However, such increase shall not apply with respect to any~~  
 225 ~~assessment roll until such roll is first determined to be in~~  
 226 ~~compliance with the provisions of section 4 by a state agency~~  
 227 ~~designated by general law. This subsection shall stand repealed~~  
 228 ~~on the effective date of any amendment to section 4 which~~  
 229 ~~provides for the assessment of homestead property at a specified~~  
 230 ~~percentage of its just value.~~

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

236 (d)~~(f)~~ The legislature may, by general law, allow counties  
 237 or municipalities, for the purpose of their respective tax  
 238 levies and subject to the provisions of general law, to grant an  
 239 additional homestead tax exemption not exceeding fifty thousand  
 240 dollars to any person who has the legal or equitable title to  
 241 real estate and maintains thereon the permanent residence of the  
 242 owner and who has attained age sixty-five and whose household  
 243 income, as defined by general law, does not exceed twenty  
 244 thousand dollars. The general law must allow counties and  
 245 municipalities to grant this additional exemption, within the  
 246 limits prescribed in this subsection, by ordinance adopted in  
 247 the manner prescribed by general law, and must provide for the  
 248 periodic adjustment of the income limitation prescribed in this  
 249 subsection for changes in the cost of living.

250 (e)~~(g)~~ Each veteran who is age 65 or older who is  
 251 partially or totally permanently disabled shall receive a

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252 discount from the amount of the ad valorem tax otherwise owed on  
 253 homestead property the veteran owns and resides in if the  
 254 disability was combat related, the veteran was a resident of  
 255 this state at the time of entering the military service of the  
 256 United States, and the veteran was honorably discharged upon  
 257 separation from military service. The discount shall be in a  
 258 percentage equal to the percentage of the veteran's permanent,  
 259 service-connected disability as determined by the United States  
 260 Department of Veterans Affairs. To qualify for the discount  
 261 granted by this subsection, an applicant must submit to the  
 262 county property appraiser, by March 1, proof of residency at the  
 263 time of entering military service, an official letter from the  
 264 United States Department of Veterans Affairs stating the  
 265 percentage of the veteran's service-connected disability and  
 266 such evidence that reasonably identifies the disability as  
 267 combat related, and a copy of the veteran's honorable discharge.  
 268 If the property appraiser denies the request for a discount, the  
 269 appraiser must notify the applicant in writing of the reasons  
 270 for the denial, and the veteran may reapply. The Legislature  
 271 may, by general law, waive the annual application requirement in  
 272 subsequent years. This subsection shall take effect December 7,  
 273 2006, is self-executing, and does not require implementing  
 274 legislation.

275 SECTION 9. Local taxes.--

276 (a) Counties, school districts, and municipalities shall,  
 277 and special districts may, be authorized by law to levy ad  
 278 valorem taxes and may be authorized by general law to levy other  
 279 taxes, for their respective purposes, except ad valorem taxes on

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280 intangible personal property and taxes prohibited by this  
 281 constitution.

282 (b) Ad valorem taxes, exclusive of taxes levied for the  
 283 payment of bonds and taxes levied for periods not longer than  
 284 two years when authorized by vote of the electors who are the  
 285 owners of freeholds therein not wholly exempt from taxation,  
 286 shall not be levied in excess of the following millages upon the  
 287 assessed value of real estate and tangible personal property:  
 288 for all county purposes, ten mills; for all municipal purposes,  
 289 ten mills; for all school purposes, ten mills; for water  
 290 management purposes for the northwest portion of the state lying  
 291 west of the line between ranges two and three east, 0.05 mill;  
 292 for water management purposes for the remaining portions of the  
 293 state, 1.0 mill; and for all other special districts a millage  
 294 authorized by law approved by vote of the electors who are  
 295 owners of freeholds therein not wholly exempt from taxation. A  
 296 county furnishing municipal services may, to the extent  
 297 authorized by law, levy additional taxes within the limits fixed  
 298 for municipal purposes.

299 (c) By general law, the legislature shall limit the  
 300 authority of counties, municipalities, and special districts to  
 301 increase ad valorem taxes.

302 ARTICLE XII

303 SCHEDULE

304 SECTION 27. Transitional assessments of homestead  
 305 property; effective date.--

306 (a) Each person entitled to a homestead exemption under  
 307 Section 6 of Article VII on January 1, 2008, shall continue to

308 have the person's current homestead assessed under Section 4(c)  
 309 of Article VII so long as, on January 1 of each year, the sum of  
 310 the exemption the person would have received under Section 6(a)-  
 311 (d) of Article VII, as it existed on December 31, 2007, plus the  
 312 difference between the homestead's just value and its assessed  
 313 value determined pursuant to Section 4(c) of Article VII is  
 314 greater than the exemption provided by Section 6(a) of Article  
 315 VII. After the exemption provided in Section 6(a) of Article VII  
 316 exceeds such sum in any year, the homestead may not be assessed  
 317 under Section 4(c) of Article VII.

318 (b) The exemption provided in Section 6(a) of Article VII  
 319 to each person entitled to have the person's homestead assessed  
 320 under Section 4(c) of Article VII pursuant to subsection (a)  
 321 shall be limited to the exemption the person would have been  
 322 entitled to under Section 6(a)-(d) of Article VII as it existed  
 323 on December 31, 2007.

324 (c) The amendments to Sections 3, 4, 6, and 9 of Article  
 325 VII, providing an exemption from ad valorem taxation for  
 326 tangible personal property, revising provisions limiting an  
 327 increase in the assessed value of homestead property, providing  
 328 for assessing rent-restricted affordable housing and commercial  
 329 and public-access waterfront property pursuant to general law,  
 330 increasing the homestead exemption by providing a schedule for  
 331 determining the exemption based on a percentage of the  
 332 property's just value, and requiring the legislature to limit  
 333 the authority of counties, municipalities, and special districts  
 334 to increase ad valorem taxes, and this section, providing for  
 335 transitional assessments of homestead property, shall take

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336 effect upon approval by the electors and shall operate  
 337 retroactively to January 1, 2008.

338 BE IT FURTHER RESOLVED that the following statement be  
 339 placed on the ballot:

340 CONSTITUTIONAL AMENDMENT

341 ARTICLE VII, SECTIONS 3, 4, 6, AND 9;

342 ARTICLE XII, SECTION 27

343 AD VALOREM PROPERTY TAXATION: ASSESSMENTS, EXEMPTIONS,  
 344 LIMITATIONS, AND HOMESTEADS.--Proposing amendments to the State  
 345 Constitution to increase the homestead exemption from \$25,000 to  
 346 75 percent of the just value of the property up to \$200,000 and  
 347 15 percent of the just value of the property above \$200,000 up  
 348 to \$500,000, to subject the \$500,000 threshold to annual  
 349 adjustments based on the percentage change in per capita  
 350 personal income, to authorize an increase in the \$500,000  
 351 threshold amount by a two-thirds vote of the Legislature, and to  
 352 specify minimum homestead exemption amounts of \$50,000 for  
 353 everyone except low-income seniors and \$100,000 for low-income  
 354 seniors; to provide for transitional assessments of homestead  
 355 property under the increased homestead exemption that include  
 356 preserving application of Save-Our-Homes provisions when those  
 357 provisions provide a benefit that is greater than the increased  
 358 homestead exemption; to revise Save-Our-Homes provisions to  
 359 conform to provisions providing for the increased homestead  
 360 exemption and transitional assessments of homestead property; to  
 361 require the Legislature to limit the authority of counties,  
 362 municipalities, and special districts to increase ad valorem  
 363 taxes; to authorize an exemption from ad valorem taxes of no

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364 | less than \$25,000 of assessed value of tangible personal  
365 | property; to provide for assessing rent-restricted affordable  
366 | housing property and waterfront property used for commercial  
367 | fishing, commercial water-dependent activities, and public  
368 | access at less than just value; and to schedule the amendments  
369 | to take effect upon approval by the voters and operate  
370 | retroactively to January 1, 2008.