

House Joint Resolution

A joint resolution proposing an amendment to Sections 2, 4, and 6 and the creation of Section 19 of Article VII and the creation of Section 27 of Article XII of the State Constitution to provide for an alternative methodology for changing assessments of homestead property, rate for taxing homestead property, and homestead exemption, 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 amendment to Sections 2, 4, and 6 and the creation of Section 19 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 2. Taxes; rate.--Except as provided in Section 19 of this Article, all ad valorem taxation shall be at a uniform rate within each taxing unit, except the taxes on intangible personal property may be at different rates but shall never exceed two mills on the dollar of assessed value; provided, as to any obligations secured by mortgage, deed of trust, or other lien on real estate wherever located, an intangible tax of not

HJR 5C

2007

29 more than two mills on the dollar may be levied by law to be in
30 lieu of all other intangible assessments on such obligations.

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

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

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

42 (c) Except as provided in Section 19 of this Article, all
43 persons entitled to a homestead exemption under Section 6 of
44 this Article shall have their homestead assessed at just value
45 as of January 1 of the year following the effective date of this
46 amendment. This assessment shall change only as provided herein.

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

50 a. Three percent (3%) of the assessment for the prior
51 year.

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

57 (2) No assessment shall exceed just value.

58 (3) After any change of ownership, as provided by general
 59 law, homestead property shall be assessed at just value as of
 60 January 1 of the following year. Thereafter, the homestead shall
 61 be assessed as provided herein.

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

65 (5) Changes, additions, reductions, or improvements to
 66 homestead property shall be assessed as provided for by general
 67 law; provided, however, after the adjustment for any change,
 68 addition, reduction, or improvement, the property shall be
 69 assessed as provided herein.

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

72 (7) The provisions of this amendment are severable. If any
 73 of the provisions of this amendment shall be held
 74 unconstitutional by any court of competent jurisdiction, the
 75 decision of such court shall not affect or impair any remaining
 76 provisions of this amendment.

77 (d) The legislature may, by general law, for assessment
 78 purposes and subject to the provisions of this subsection, allow
 79 counties and municipalities to authorize by ordinance that
 80 historic property may be assessed solely on the basis of
 81 character or use. Such character or use assessment shall apply
 82 only to the jurisdiction adopting the ordinance. The
 83 requirements for eligible properties must be specified by
 84 general law.

85 (e) A county may, in the manner prescribed by general law,
 86 provide for a reduction in the assessed value of homestead
 87 property to the extent of any increase in the assessed value of
 88 that property which results from the construction or
 89 reconstruction of the property for the purpose of providing
 90 living quarters for one or more natural or adoptive grandparents
 91 or parents of the owner of the property or of the owner's spouse
 92 if at least one of the grandparents or parents for whom the
 93 living quarters are provided is 62 years of age or older. Such a
 94 reduction may not exceed the lesser of the following:

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

97 (2) Twenty percent of the total assessed value of the
 98 property as improved.

99 SECTION 6. Homestead exemptions.--

100 (a) Every person who has the legal or equitable title to
 101 real estate and maintains thereon the permanent residence of the
 102 owner, or another legally or naturally dependent upon the owner,
 103 shall be exempt from taxation thereon, except assessments for
 104 special benefits, up to the assessed valuation of five thousand
 105 dollars, upon establishment of right thereto in the manner
 106 prescribed by law. The real estate may be held by legal or
 107 equitable title, by the entirety, jointly, in common, as a
 108 condominium, or indirectly by stock ownership or membership
 109 representing the owner's or member's proprietary interest in a
 110 corporation owning a fee or a leasehold initially in excess of
 111 ninety-eight years.

112 (b) Not more than one exemption shall be allowed any
 113 individual or family unit or with respect to any residential
 114 unit. No exemption shall exceed the value of the real estate
 115 assessable to the owner or, in case of ownership through stock
 116 or membership in a corporation, the value of the proportion
 117 which the interest in the corporation bears to the assessed
 118 value of the property.

119 (c) Except as provided in Section 19 of this Article, by
 120 general law and subject to conditions specified therein, the
 121 exemption shall be increased to a total of twenty-five thousand
 122 dollars of the assessed value of the real estate for each school
 123 district levy. By general law and subject to conditions
 124 specified therein, the exemption for all other levies may be
 125 increased up to an amount not exceeding ten thousand dollars of
 126 the assessed value of the real estate if the owner has attained
 127 age sixty-five or is totally and permanently disabled and if the
 128 owner is not entitled to the exemption provided in subsection
 129 (d).

130 (d) Except as provided in Section 19 of this Article, by
 131 general law and subject to conditions specified therein, the
 132 exemption shall be increased to a total of the following amounts
 133 of assessed value of real estate for each levy other than those
 134 of school districts: fifteen thousand dollars with respect to
 135 1980 assessments; twenty thousand dollars with respect to 1981
 136 assessments; twenty-five thousand dollars with respect to
 137 assessments for 1982 and each year thereafter. However, such
 138 increase shall not apply with respect to any assessment roll
 139 until such roll is first determined to be in compliance with the

140 provisions of Section ~~section~~ 4 of this Article by a state
 141 agency designated by general law. This subsection shall stand
 142 repealed on the effective date of any amendment to Section
 143 ~~section~~ 4 of this Article which provides for the assessment of
 144 homestead property at a specified percentage of its just value.

145 (e) By general law and subject to conditions specified
 146 therein, the Legislature may provide to renters, who are
 147 permanent residents, ad valorem tax relief on all ad valorem tax
 148 levies. Such ad valorem tax relief shall be in the form and
 149 amount established by general law.

150 (f) The legislature may, by general law, allow counties or
 151 municipalities, for the purpose of their respective tax levies
 152 and subject to the provisions of general law, to grant an
 153 additional homestead tax exemption not exceeding fifty thousand
 154 dollars to any person who has the legal or equitable title to
 155 real estate and maintains thereon the permanent residence of the
 156 owner and who has attained age sixty-five and whose household
 157 income, as defined by general law, does not exceed twenty
 158 thousand dollars. The general law must allow counties and
 159 municipalities to grant this additional exemption, within the
 160 limits prescribed in this subsection, by ordinance adopted in
 161 the manner prescribed by general law, and must provide for the
 162 periodic adjustment of the income limitation prescribed in this
 163 subsection for changes in the cost of living.

164 (g) Each veteran who is age 65 or older who is partially
 165 or totally permanently disabled shall receive a discount from
 166 the amount of the ad valorem tax otherwise owed on homestead
 167 property the veteran owns and resides in if the disability was

168 combat related, the veteran was a resident of this state at the
 169 time of entering the military service of the United States, and
 170 the veteran was honorably discharged upon separation from
 171 military service. The discount shall be in a percentage equal to
 172 the percentage of the veteran's permanent, service-connected
 173 disability as determined by the United States Department of
 174 Veterans Affairs. To qualify for the discount granted by this
 175 subsection, an applicant must submit to the county property
 176 appraiser, by March 1, proof of residency at the time of
 177 entering military service, an official letter from the United
 178 States Department of Veterans Affairs stating the percentage of
 179 the veteran's service-connected disability and such evidence
 180 that reasonably identifies the disability as combat related, and
 181 a copy of the veteran's honorable discharge. If the property
 182 appraiser denies the request for a discount, the appraiser must
 183 notify the applicant in writing of the reasons for the denial,
 184 and the veteran may reapply. The Legislature may, by general
 185 law, waive the annual application requirement in subsequent
 186 years. This subsection shall take effect December 7, 2006, is
 187 self-executing, and does not require implementing legislation.

188 SECTION 19. Alternative homestead property assessment;
 189 taxation; exemption; future revision limitation.--

190 (a) All persons entitled to a homestead exemption under
 191 this section shall have their homestead assessed at just value
 192 as of January 1 of the year following the effective date of this
 193 section. This assessment shall be changed each year by the
 194 percentage change in the market value of the property from the
 195 prior year, provided that, any increase in the assessment shall

HJR 5C

2007

196 not exceed the lower of three percent (3%) of the assessment for
 197 the prior year or the percent change in the Consumer Price Index
 198 for all urban consumers, U.S. City Average, all items 1967=100,
 199 or successor reports for the preceding calendar year as
 200 initially reported by the United States Department of Labor,
 201 Bureau of Labor Statistics.

202 (b) Under this section, homestead property shall be taxed
 203 at the rate of one and one-half percent (1.5%) of the just value
 204 of the property.

205 (c) Every person who has the legal or equitable title to
 206 real estate and maintains thereon the permanent residence of the
 207 owner, or another legally or naturally dependent upon the owner,
 208 shall be exempt from taxation thereon, except assessments for
 209 special benefits, up to the assessed valuation of the median
 210 value of single-family homes for the prior year in the county in
 211 which the homestead is located. The owner of a homestead who is
 212 65 years of age or older and whose income does not exceed 80
 213 percent of the median family income for the county shall be
 214 entitled to an additional exemption equal to the amount of the
 215 exemption provided in this subsection.

216 (d) The provisions of this section shall apply only to the
 217 owner of homestead property and the homestead if the owner makes
 218 an irrevocable election to have this section apply instead of
 219 Sections 2, 4, and 6 of this Article.

220 (e) By general law, the legislature shall provide
 221 regulations to implement and enforce this section.

222 (f) Notwithstanding any other provision of Article XI, any
 223 revision to the provisions of this section may be made only by

HJR 5C

2007

224 initiative filed as provided in Section 3 of Article XI and
 225 submitted to the voters in a general election.

226 ARTICLE XII

227 SCHEDULE

228 SECTION 27. Transitional assessments of homestead
 229 property; effective date.--

230 (a) Each person entitled to a homestead exemption under
 231 Section 6 of Article VII on the effective date of this section
 232 shall continue to have the person's current homestead assessed
 233 under Section 4(c) of Article VII until the person makes an
 234 irrevocable election to have the person's homestead assessed
 235 under Section 19 of Article VII. After an irrevocable election
 236 is made, the homestead will continue to be assessed under
 237 Section 4(c) of Article VII until December 31 of the year in
 238 which the election is made and thereafter may not be assessed
 239 under Section 4(c) of Article VII. Beginning January 1 of the
 240 year following such election, the homestead shall be assessed
 241 and taxed as provided by Section 19 of Article VII. By general
 242 law and subject to conditions specified therein, the legislature
 243 shall provide procedures for persons to make the election.

244 (b) The amendments to Sections 2, 4, and 6 and the
 245 creation of Section 19 of Article VII, providing an alternative
 246 methodology for changing assessments of homestead property,
 247 taxing homestead property at 1.5 percent of just value, and
 248 providing a homestead exemption equal to the median value of
 249 single-family homes in the county in which the homestead is
 250 located and a double homestead exemption for low-income property
 251 owners 65 years of age or older, and limiting revisions to a

HJR 5C

2007

252 citizen's initiative, and this section, providing for
 253 transitional assessments of homestead property, if submitted to
 254 the electors of this state for approval or rejection at a
 255 special election authorized by law to be held in 2008, shall
 256 take effect upon approval by the electors and shall operate
 257 retroactively to January 1, 2008, or, if submitted to the
 258 electors of this state for approval or rejection at the next
 259 general election, shall take effect January 1 of the year
 260 following such general election.

261 BE IT FURTHER RESOLVED that the following statement be
 262 placed on the ballot:

263 CONSTITUTIONAL AMENDMENT

264 ARTICLE VII, SECTIONS 2, 4, 6, 19

265 ARTICLE XII, SECTION 27

266 ALTERNATIVE HOMESTEAD PROPERTY ASSESSMENT, TAXATION,
 267 EXEMPTION.--Proposing changes to the State Constitution relating
 268 to ad valorem taxation as follows:

269 1.a. Provides for changing the assessment of homestead
 270 property each year by the percentage change in the market value
 271 of the property from the prior year and limiting increases in
 272 assessments to the lower of 3 percent or the percentage change
 273 in the Consumer Price Index.

274 b. Provides for taxing homestead property at 1.5 percent
 275 of the just value of the property.

276 c. Provides for a homestead exemption equal to the median
 277 value of single-family homes in the county in which the
 278 homestead is located and a double exemption for homestead owners

HJR 5C

2007

279 65 years of age or older with an income not exceeding 80 percent
280 of the median family income for the county.

281 2. Preserves the existing assessment, taxation, and
282 exemption of homestead property but provides for an irrevocable
283 election by the homestead owner to apply the provisions of the
284 amendments to the homestead property.

285 3. Limits revising the provisions of the amendment to
286 citizen's initiative.

287 4. Schedules the changes to take effect upon approval by
288 the voters and operate retroactively to January 1, 2008, if
289 approved in a special election held in 2008, or to take effect
290 January 1, 2009, if approved in the general election held in
291 November of 2008.