

Bill No. CS for SJR 2-D

Barcode 102070

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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Senators Geller and Deutch moved the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause

and insert:

That the following amendments to Sections 3, 4, and 6 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 exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly

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1 for educational, literary, scientific, religious or charitable  
2 purposes may be exempted by general law from taxation.

3 (b) There shall be exempt from taxation, cumulatively,  
4 to every head of a family residing in this state, household  
5 goods and personal effects to the value fixed by general law,  
6 not less than one thousand dollars, and to every widow or  
7 widower or person who is blind or totally and permanently  
8 disabled, property to the value fixed by general law not less  
9 than five hundred dollars.

10 (c) Any county or municipality may, for the purpose of  
11 its respective tax levy and subject to the provisions of this  
12 subsection and general law, grant community and economic  
13 development ad valorem tax exemptions to new businesses and  
14 expansions of existing businesses, as defined by general law.  
15 Such an exemption may be granted only by ordinance of the  
16 county or municipality, and only after the electors of the  
17 county or municipality voting on such question in a referendum  
18 authorize the county or municipality to adopt such  
19 ordinances. An exemption so granted shall apply to  
20 improvements to real property made by or for the use of a new  
21 business and improvements to real property related to the  
22 expansion of an existing business and shall also apply to  
23 tangible personal property of such new business and tangible  
24 personal property related to the expansion of an existing  
25 business. The amount or limits of the amount of such exemption  
26 shall be specified by general law. The period of time for  
27 which such exemption may be granted to a new business or  
28 expansion of an existing business shall be determined by  
29 general law. The authority to grant such exemption shall  
30 expire ten years from the date of approval by the electors of  
31 the county or municipality, and may be renewable by referendum

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1 as provided by general law.

2 (d) By general law and subject to conditions specified  
3 therein, there may be granted an ad valorem tax exemption to a  
4 renewable energy source device and to real property on which  
5 such device is installed and operated, to the value fixed by  
6 general law not to exceed the original cost of the device, and  
7 for the period of time fixed by general law not to exceed ten  
8 years.

9 (e) Any county or municipality may, for the purpose of  
10 its respective tax levy and subject to the provisions of this  
11 subsection and general law, grant historic preservation ad  
12 valorem tax exemptions to owners of historic properties. This  
13 exemption may be granted only by ordinance of the county or  
14 municipality. The amount or limits of the amount of this  
15 exemption and the requirements for eligible properties must be  
16 specified by general law. The period of time for which this  
17 exemption may be granted to a property owner shall be  
18 determined by general law.

19 (f) By general law and subject to conditions specified  
20 therein, twenty-five thousand dollars of the assessed value of  
21 property subject to tangible personal property tax shall be  
22 exempt from ad valorem taxation.

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

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

31 (b) Pursuant to general law tangible personal property

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1 held for sale as stock in trade and livestock may be valued  
2 for taxation at a specified percentage of its value, may be  
3 classified for tax purposes, or may be exempted from taxation.

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

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

13 a. Three percent (3%) of the assessment for the prior  
14 year.

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

20 (2) No assessment shall exceed just value.

21 (3) After any change of ownership, as provided by  
22 general law, homestead property shall be assessed at just  
23 value as of January 1 of the following year, unless the  
24 provisions of paragraph (8) apply. Thereafter, the homestead  
25 shall be assessed as provided herein.

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

31 (5) Changes, additions, reductions, or improvements to

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1 homestead property shall be assessed as provided for by  
2 general law; provided, however, after the adjustment for any  
3 change, addition, reduction, or improvement, the property  
4 shall be assessed as provided herein.

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

7 (7) The provisions of this amendment are severable. If  
8 any of the provisions of this amendment shall be held  
9 unconstitutional by any court of competent jurisdiction, the  
10 decision of such court shall not affect or impair any  
11 remaining provisions of this amendment.

12 (8)a. For all levies other than school district  
13 levies, a person who establishes a new homestead as of January  
14 1, 2009, or January 1 of any subsequent year and who has  
15 received a homestead exemption pursuant to Section 6 of  
16 Article VII of this constitution as of January 1 of either of  
17 the two years immediately preceding the establishment of the  
18 new homestead is entitled to have the new homestead assessed  
19 at less than just value. A person who establishes a new  
20 homestead as of January 1, 2008, is entitled to have the new  
21 homestead assessed at less than just value only if that person  
22 received a homestead exemption on January 1, 2007. The  
23 assessed value of the newly established homestead shall be  
24 determined as follows:

25 1. If the just value of the new homestead is greater  
26 than or equal to the just value of the prior homestead of the  
27 person establishing the new homestead as of January 1 of the  
28 year in which the prior homestead was abandoned, the assessed  
29 value of the new homestead shall be the just value of the new  
30 homestead minus an amount equal to the lesser of \$1 million or  
31 the difference between the just value and the assessed value

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1 of the prior homestead as of January 1 of the year in which  
2 the prior homestead was abandoned. Thereafter, the homestead  
3 shall be assessed as provided herein.

4       2. If the just value of the new homestead is less than  
5 the just value of the prior homestead of the person  
6 establishing the new homestead as of January 1 of the year in  
7 which the prior homestead was abandoned, the assessed value of  
8 the new homestead shall be equal to the just value of the new  
9 homestead divided by the just value of the prior homestead and  
10 multiplied by the assessed value of the prior homestead.  
11 However, if the difference between the just value of the new  
12 homestead and the assessed value of the new homestead  
13 calculated pursuant to this sub-subparagraph is greater than  
14 \$1 million the assessed value of the new homestead shall be  
15 increased so that the difference between the just value and  
16 the assessed value equals \$1 million. Thereafter, the  
17 homestead shall be assessed as provided herein.

18       b. By general law and subject to conditions specified  
19 therein, the Legislature shall provide for application of this  
20 paragraph to property owned by more than one person.

21       (d) The legislature may, by general law, for  
22 assessment purposes and subject to the provisions of this  
23 subsection, allow counties and municipalities to authorize by  
24 ordinance that historic property may be assessed solely on the  
25 basis of character or use. Such character or use assessment  
26 shall apply only to the jurisdiction adopting the ordinance.  
27 The requirements for eligible properties must be specified by  
28 general law.

29       (e) A county may, in the manner prescribed by general  
30 law, provide for a reduction in the assessed value of  
31 homestead property to the extent of any increase in the

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1 assessed value of that property which results from the  
 2 construction or reconstruction of the property for the purpose  
 3 of providing living quarters for one or more natural or  
 4 adoptive grandparents or parents of the owner of the property  
 5 or of the owner's spouse if at least one of the grandparents  
 6 or parents for whom the living quarters are provided is 62  
 7 years of age or older. Such a reduction may not exceed the  
 8 lesser of the following:

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

11           (2) Twenty percent of the total assessed value of the  
 12 property as improved.

13           SECTION 6. Homestead exemptions.--

14           (a) Every person who has the legal or equitable title  
 15 to real estate and maintains thereon the permanent residence  
 16 of the owner, or another legally or naturally dependent upon  
 17 the owner, shall be exempt from taxation thereon, except  
 18 assessments for special benefits, up to the assessed valuation  
 19 of twenty-five ~~five~~ thousand dollars and, for all levies other  
 20 than school district levies and levies for dependent or  
 21 independent special districts or municipal service taxing  
 22 units the primary function of which is to provide emergency  
 23 medical or fire rescue services, on the assessed valuation  
 24 greater than fifty thousand dollars and up to seventy-five  
 25 thousand dollars if the just value of the real estate is less  
 26 than \$500,000, upon establishment of right thereto in the  
 27 manner prescribed by law. The real estate may be held by  
 28 legal or equitable title, by the entirety, jointly, in  
 29 common, as a condominium, or indirectly by stock ownership or  
 30 membership representing the owner's or member's proprietary  
 31 interest in a corporation owning a fee or a leasehold

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1 initially in excess of ninety-eight years. The exemption shall  
 2 not apply with respect to any assessment roll until such roll  
 3 is first determined to be in compliance with the provisions of  
 4 section 4 by a state agency designated by general law. This  
 5 exemption is repealed on the effective date of any amendment  
 6 to this Article which provides for the assessment of homestead  
 7 property at less than just value.

8 (b) Not more than one exemption shall be allowed any  
 9 individual or family unit or with respect to any residential  
 10 unit. No exemption shall exceed the value of the real estate  
 11 assessable to the owner or, in case of ownership through stock  
 12 or membership in a corporation, the value of the proportion  
 13 which the interest in the corporation bears to the assessed  
 14 value of the property.

15 (c) As provided by general law and subject to  
 16 conditions specified therein, each person who establishes the  
 17 right to receive the homestead exemption provided in  
 18 subsection (a) within one year after purchasing the homestead  
 19 property and who had not previously owned property receiving  
 20 the homestead exemption provided in subsection (a) is entitled  
 21 to an additional homestead exemption in an amount equal to  
 22 twenty-five percent of the homestead property's just value on  
 23 January 1 of the year in which the homestead is established,  
 24 not to exceed twenty-five percent of the median just value of  
 25 homesteads in the county in which the homestead is located in  
 26 the year prior to establishing the new homestead. This  
 27 exemption is not available if any owner of the property has  
 28 previously owned property that received the homestead  
 29 exemption provided in subsection (a). The additional homestead  
 30 exemption shall be reduced each year by the difference between  
 31 the homestead's just value and assessed value as determined



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1 under subsection (c) of Section 4 until the value of the  
2 exemption is reduced to zero. The exemption provided under  
3 this subsection shall apply to all levies other than school  
4 district levies.

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

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

30 ~~(d)(e)~~ By general law and subject to conditions  
31 specified therein, the Legislature may provide to renters, who

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1 are permanent residents, ad valorem tax relief on all ad  
2 valorem tax levies. Such ad valorem tax relief shall be in the  
3 form and amount established by general law.

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

19       ~~(f)~~~~(g)~~ Each veteran who is age 65 or older who is  
20 partially or totally permanently disabled shall receive a  
21 discount from the amount of the ad valorem tax otherwise owed  
22 on homestead property the veteran owns and resides in if the  
23 disability was combat related, the veteran was a resident of  
24 this state at the time of entering the military service of the  
25 United States, and the veteran was honorably discharged upon  
26 separation from military service. The discount shall be in a  
27 percentage equal to the percentage of the veteran's permanent,  
28 service-connected disability as determined by the United  
29 States Department of Veterans Affairs. To qualify for the  
30 discount granted by this subsection, an applicant must submit  
31 to the county property appraiser, by March 1, proof of

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

ARTICLE XII

SCHEDULE

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 14  
 15 Section 27. Property tax exemptions.--The amendments  
 16 to Sections 3, 4, and 6 of Article VII, providing a \$25,000  
 17 exemption for tangible personal property, providing an  
 18 additional \$25,000 homestead exemption, authorizing transfer  
 19 of the accrued benefit from the limitations on the assessment  
 20 of homestead property, providing an additional homestead  
 21 exemption for first-time homestead property owners, requiring  
 22 local governments to provide an additional homestead exemption  
 23 for low-income seniors, and this section, if submitted to the  
 24 electors of this state for approval or rejection at a special  
 25 election authorized by law to be held on January 29, 2008,  
 26 shall take effect upon approval by the electors and shall  
 27 operate retroactively to January 1, 2008, or, if submitted to  
 28 the electors of this state for approval or rejection at the  
 29 next general election, shall take effect January 1 of the year  
 30 following such general election.

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

2 And the title is amended as follows:

3           Delete everything before the enacting clause

4

5 and insert:

6                           Senate Joint Resolution

7           A joint resolution proposing amendments to  
8           Sections 3, 4, and 6 of Article VII and the  
9           creation of Section 27 of Article XII of the  
10          State Constitution, to provide for an exemption  
11          from ad valorem taxation for tangible personal  
12          property, to provide for the transfer of the  
13          accrued benefit from the limitation on the  
14          assessed value of homestead property, to  
15          increase the homestead exemption for certain  
16          homestead property owners, to create an  
17          additional homestead exemption for first-time  
18          homestead property owners, and to provide an  
19          effective date if such amendments are adopted.

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