

Bill No. CS for SJR 2-D

Barcode 874950

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

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Senators Geller, Deutch, Ring, Justice, Rich, Bullard,
Aronberg, Lawson, Joyner, Dawson, and Siplin 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

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1 payment to the taxing unit in which the property is
 2 located. Such portions of property as are used predominantly
 3 for educational, literary, scientific, religious or charitable
 4 purposes may be exempted by general law from taxation.

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

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

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1 expire ten years from the date of approval by the electors of
2 the county or municipality, and may be renewable by referendum
3 as provided by general law.

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

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

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

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

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

1 use.

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

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

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

15 a. Three percent (3%) of the assessment for the prior
16 year.

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

22 (2) No assessment shall exceed just value.

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

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

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1 provided herein.

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

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

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

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

27 1. If the just value of the new homestead is greater
28 than or equal to the just value of the prior homestead of the
29 person establishing the new homestead as of January 1 of the
30 year in which the prior homestead was abandoned, the assessed
31 value of the new homestead shall be the just value of the new

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1 homestead minus an amount equal to the lesser of \$1 million or
 2 the difference between the just value and the assessed value
 3 of the prior homestead as of January 1 of the year in which
 4 the prior homestead was abandoned. Thereafter, the homestead
 5 shall be assessed as provided herein.

6 2. If the just value of the new homestead is less than
 7 the just value of the prior homestead of the person
 8 establishing the new homestead as of January 1 of the year in
 9 which the prior homestead was abandoned, the assessed value of
 10 the new homestead shall be equal to the just value of the new
 11 homestead divided by the just value of the prior homestead and
 12 multiplied by the assessed value of the prior homestead.

13 However, if the difference between the just value of the new
 14 homestead and the assessed value of the new homestead
 15 calculated pursuant to this sub-subparagraph is greater than
 16 \$1 million the assessed value of the new homestead shall be
 17 increased so that the difference between the just value and
 18 the assessed value equals \$1 million. Thereafter, the
 19 homestead shall be assessed as provided herein.

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

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

31 (e) A county may, in the manner prescribed by general

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

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

13 (2) Twenty percent of the total assessed value of the
 14 property as improved.

15 SECTION 6. Homestead exemptions.--

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

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

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

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

1 exemption shall be reduced each year by the difference between
 2 the homestead's just value and assessed value as determined
 3 under subsection (c) of Section 4 until the value of the
 4 exemption is reduced to zero. The exemption provided under
 5 this subsection shall apply to all levies other than school
 6 district levies.

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

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

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

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

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

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

ARTICLE XII

SCHEDULE

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

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1 following such general election.

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

5 And the title is amended as follows:

6 Delete everything before the enacting clause

7

8 and insert:

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Senate Joint Resolution

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A joint resolution proposing amendments to

11

Sections 3, 4, and 6 of Article VII and the

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creation of Section 27 of Article XII of the

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State Constitution, to provide for an exemption

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from ad valorem taxation for tangible personal

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property, to provide for the transfer of the

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accrued benefit from the limitation on the

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assessed value of homestead property, to

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increase the homestead exemption for certain

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homestead property owners, to create an

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additional homestead exemption for first-time

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homestead property owners, and to provide an

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effective date if such amendments are adopted.

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