

House Joint Resolution

A joint resolution proposing amendments to Sections 4 and 9 of Article VII of the State Constitution to specify assessment increase limitations for homestead property, nonhomestead residential property, and commercial property; to provide for exceptions to such limitations for changes in use; to continue to apply increase-limited assessments to all properties after changes in ownership; to roll back property assessments to 2003 and revise such assessments annually to the present, subject to assessment increase limitations; and to specify voting requirements for increases in millage rates.

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

That the following amendments to Sections 4 and 9 of Article VII of the State Constitution is 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 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for

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28 noncommercial recreational purposes may be classified by general  
 29 law and assessed solely on the basis of character or use.

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

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

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

42 a. ~~three percent (3%) of the assessment for the prior~~  
 43 ~~year.~~

44 b. ~~The percent change in the Consumer Price Index for all~~  
 45 ~~urban consumers, U.S. City Average, all items 1967=100, or~~  
 46 ~~successor reports for the preceding calendar year as initially~~  
 47 ~~reported by the United States Department of Labor, Bureau of~~  
 48 ~~Labor Statistics.~~

49 (2) No assessment shall exceed just value.

50 ~~(3) After any change of ownership, as provided by general~~  
 51 ~~law, homestead property shall be assessed at just value as of~~  
 52 ~~January 1 of the following year. Thereafter, the homestead shall~~  
 53 ~~be assessed as provided herein.~~

54 (3) ~~(4)~~ New homestead property shall be assessed at just  
 55 value as of January 1st of the year following the establishment

56 of the homestead. That assessment shall only change as provided  
 57 herein.

58 (4)~~(5)~~ Changes, additions, reductions, or improvements to  
 59 homestead property shall be assessed as provided for by general  
 60 law; provided, however, after the adjustment for any change,  
 61 addition, reduction, or improvement, the property shall be  
 62 assessed as provided herein.

63 (5)~~(6)~~ In the event of a termination of homestead status,  
 64 the property shall be assessed as provided by general law.

65 (6)~~(7)~~ The provisions of this amendment are severable. If  
 66 any of the provisions of this amendment shall be held  
 67 unconstitutional by any court of competent jurisdiction, the  
 68 decision of such court shall not affect or impair any remaining  
 69 provisions of this amendment.

70 (d) The legislature may, by general law, for assessment  
 71 purposes and subject to the provisions of this subsection, allow  
 72 counties and municipalities to authorize by ordinance that  
 73 historic property may be assessed solely on the basis of  
 74 character or use. Such character or use assessment shall apply  
 75 only to the jurisdiction adopting the ordinance. The  
 76 requirements for eligible properties must be specified by  
 77 general law.

78 (e) A county may, in the manner prescribed by general law,  
 79 provide for a reduction in the assessed value of homestead  
 80 property to the extent of any increase in the assessed value of  
 81 that property which results from the construction or  
 82 reconstruction of the property for the purpose of providing  
 83 living quarters for one or more natural or adoptive grandparents

84 or parents of the owner of the property or of the owner's spouse  
 85 if at least one of the grandparents or parents for whom the  
 86 living quarters are provided is 62 years of age or older. Such a  
 87 reduction may not exceed the lesser of the following:

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

90 (2) Twenty percent of the total assessed value of the  
 91 property as improved.

92 (f) Pursuant to general law, all property that is  
 93 residential but not homestead property and all commercial  
 94 property shall be assessed at just value as of January 1 of the  
 95 year after the effective date of this amendment. This assessment  
 96 shall change only as provided herein. Assessments subject to  
 97 this provision may be changed annually on January 1 of each year  
 98 as follows:

99 (1) For property that is residential but not homestead  
 100 property, those changes in assessments shall not exceed five  
 101 percent (5%) of the assessment for the prior year.

102 (2) For commercial property, those changes in assessments  
 103 shall not exceed seven percent (7%) of the assessment for the  
 104 prior year.

105 (g) Assessments as limited under this section shall carry  
 106 forward and apply to such properties after any change in  
 107 ownership.

108 (h) Notwithstanding this section, if the use of any  
 109 property changes or has changed since 2003, or a substantial  
 110 improvement has been made as defined by general law, the  
 111 assessment of such property may change in excess of the

112 limitations imposed in subsection (c) or subsection (f) and  
 113 shall be based upon the market value of the new use.

114 (i) The assessment of each property subject to ad valorem  
 115 taxation under this section shall be revised to equal the  
 116 assessment for such property as of January 1, 2003, and such  
 117 assessment shall be revised each year through 2008 subject to  
 118 the limitations on changes in assessments as provided under  
 119 subsections (c) and (f).

120 SECTION 9. Local taxes.--

121 (a) Subject to subsection (c), counties, school districts,  
 122 and municipalities shall, and special districts may, be  
 123 authorized by law to levy ad valorem taxes and may be authorized  
 124 by general law to levy other taxes, for their respective  
 125 purposes, except ad valorem taxes on intangible personal  
 126 property and taxes prohibited by this constitution.

127 (b) Ad valorem taxes, exclusive of taxes levied for the  
 128 payment of bonds and taxes levied for periods not longer than  
 129 two years when authorized by vote of the electors who are the  
 130 owners of freeholds therein not wholly exempt from taxation,  
 131 shall not be levied in excess of the following millages upon the  
 132 assessed value of real estate and tangible personal property:  
 133 for all county purposes, ten mills; for all municipal purposes,  
 134 ten mills; for all school purposes, ten mills; for water  
 135 management purposes for the northwest portion of the state lying  
 136 west of the line between ranges two and three east, 0.05 mill;  
 137 for water management purposes for the remaining portions of the  
 138 state, 1.0 mill; and for all other special districts a millage  
 139 authorized by law approved by vote of the electors who are

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140 owners of freeholds therein not wholly exempt from taxation. A  
 141 county furnishing municipal services may, to the extent  
 142 authorized by law, levy additional taxes within the limits fixed  
 143 for municipal purposes.

144 (c) Counties, municipalities, and school districts may  
 145 increase millage rates only as follows:

146 (1) An increase of up to 0.05 mill may be made by a simple  
 147 majority vote of the governing body of the county, municipality,  
 148 or school district.

149 (2) An increase of between 0.05 and 0.1 mill may be made  
 150 only upon an affirmative vote of at least two-thirds of the  
 151 governing body of the county, municipality, or school district.

152 (3) An increase of 0.1 mill or greater may be made only  
 153 upon a unanimous vote of the governing body of the county,  
 154 municipality, or school district.

155 BE IT FURTHER RESOLVED that the following statement be  
 156 placed on the ballot:

157 CONSTITUTIONAL AMENDMENT

158 ARTICLE VII, SECTIONS 4 AND 9

159 AD VALOREM TAX ASSESSMENTS; MILLAGE RATE INCREASE

160 RESTRICTIONS.--Proposing amendments to the State Constitution  
 161 relating to ad valorem tax assessment increase limitations and  
 162 millage rate increase voting requirements as follows:

163 (1) (a) Revises the Save Our Homes homestead assessment to  
 164 limit the assessment increases to 3 percent and delete the  
 165 Consumer Price Index criterion.

166 (b) Removes requirement that assessment of homestead  
 167 property must change after a change in ownership.

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168 (c) Limits assessment increases for residential  
 169 nonhomestead property to 5 percent and for commercial property  
 170 to 7 percent.

171 (d) Provides for carrying forward assessments limited as  
 172 provided in the amendment for homestead property, residential  
 173 nonhomestead property, and commercial property after changes in  
 174 ownership.

175 (e) Provides for changing assessments in excess of such  
 176 limitations based upon changes in use or substantial improvement  
 177 and requires such assessments to be based upon market value.

178 (f) Rolls back property assessments to year 2003  
 179 assessments and provides for revising those assessments each  
 180 year through 2008, subject to the annual assessment increase  
 181 limitations.

182 (2) Imposes voting requirements for increases in millage  
 183 rates for counties, municipalities, and school districts of  
 184 simple majority vote of the governing body for increases up to  
 185 0.05 mill, a 2/3 majority vote for increases between 0.05 and  
 186 0.1 mill, and a unanimous vote for increases of 0.1 mill or  
 187 greater.