

By the Committee on Finance and Tax; and Senators Haridopolos and Fasano

593-553-08

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 3, 4, 6, and 9 of Article VII and Section 1 of Article VIII and the creation of Sections 27 and 28 of Article XII of the State Constitution, to require an exemption from ad valorem taxation for tangible personal property, to provide for the transfer of the accrued benefit from the limitation on the assessed value of homestead property, to provide for assessing rent-restricted affordable housing and commercial and public-access waterfront property by general law, to increase the homestead exemption, to create an additional homestead exemption for first-time homestead property owners, to provide an additional homestead exemption for low-income seniors, to require the Legislature to limit county, municipality, and special district authority to increase ad valorem taxes, to require each county to have an elected property appraiser, and to provide an effective date if such amendments are adopted.

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 Section 1 of Article VIII and the creation of Sections 27 and 28 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

1 general election or at an earlier special election
2 specifically authorized by law for that purpose:

3 ARTICLE VII

4 FINANCE AND TAXATION

5 SECTION 3. Taxes; exemptions.--

6 (a) All property owned by a municipality and used
7 exclusively by it for municipal or public purposes shall be
8 exempt from taxation. A municipality, owning property outside
9 the municipality, may be required by general law to make
10 payment to the taxing unit in which the property is
11 located. Such portions of property as are used predominantly
12 for educational, literary, scientific, religious or charitable
13 purposes may be exempted by general law from taxation.

14 (b) There shall be exempt from taxation, cumulatively,
15 to every head of a family residing in this state, household
16 goods and personal effects to the value fixed by general law,
17 not less than one thousand dollars, and to every widow or
18 widower or person who is blind or totally and permanently
19 disabled, property to the value fixed by general law not less
20 than five hundred dollars.

21 (c) Any county or municipality may, for the purpose of
22 its respective tax levy and subject to the provisions of this
23 subsection and general law, grant community and economic
24 development ad valorem tax exemptions to new businesses and
25 expansions of existing businesses, as defined by general law.
26 Such an exemption may be granted only by ordinance of the
27 county or municipality, and only after the electors of the
28 county or municipality voting on such question in a referendum
29 authorize the county or municipality to adopt such
30 ordinances. An exemption so granted shall apply to
31 improvements to real property made by or for the use of a new

1 business and improvements to real property related to the
2 expansion of an existing business and shall also apply to
3 tangible personal property of such new business and tangible
4 personal property related to the expansion of an existing
5 business. The amount or limits of the amount of such exemption
6 shall be specified by general law. The period of time for
7 which such exemption may be granted to a new business or
8 expansion of an existing business shall be determined by
9 general law. The authority to grant such exemption shall
10 expire ten years from the date of approval by the electors of
11 the county or municipality, and may be renewable by referendum
12 as provided by general law.

13 (d) By general law and subject to conditions specified
14 therein, there may be granted an ad valorem tax exemption to a
15 renewable energy source device and to real property on which
16 such device is installed and operated, to the value fixed by
17 general law not to exceed the original cost of the device, and
18 for the period of time fixed by general law not to exceed ten
19 years.

20 (e) Any county or municipality may, for the purpose of
21 its respective tax levy and subject to the provisions of this
22 subsection and general law, grant historic preservation ad
23 valorem tax exemptions to owners of historic properties. This
24 exemption may be granted only by ordinance of the county or
25 municipality. The amount or limits of the amount of this
26 exemption and the requirements for eligible properties must be
27 specified by general law. The period of time for which this
28 exemption may be granted to a property owner shall be
29 determined by general law.

30 (f) By general law and subject to conditions specified
31 therein, twenty-five thousand dollars of the assessed value of

1 property subject to tangible personal property tax shall be
2 exempt from ad valorem taxation.

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

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

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

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

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

24 a. Three percent (3%) of the assessment for the prior
25 year.

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

31 (2) No assessment shall exceed just value.

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

6 (4) New homestead property shall be assessed at just
7 value as of January 1st of the year following the
8 establishment of the homestead, unless the provisions of
9 paragraph (8) apply. That assessment shall only change as
10 provided herein.

11 (5) Changes, additions, reductions, or improvements to
12 homestead property shall be assessed as provided for by
13 general law; provided, however, after the adjustment for any
14 change, addition, reduction, or improvement, the property
15 shall be assessed as provided herein.

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

18 (7) The provisions of this amendment are severable. If
19 any of the provisions of this amendment shall be held
20 unconstitutional by any court of competent jurisdiction, the
21 decision of such court shall not affect or impair any
22 remaining provisions of this amendment.

23 (8)a. For all levies other than school district
24 levies, a person who establishes a new homestead as of January
25 1, 2009, or January 1 of any subsequent year and who has
26 received a homestead exemption pursuant to Section 6 of
27 Article VII of this constitution as of January 1 of either of
28 the two years immediately preceding the establishment of the
29 new homestead is entitled to have the new homestead assessed
30 at less than just value. A person who establishes a new
31 homestead as of January 1, 2008, is entitled to have the new

1 homestead assessed at less than just value only if that person
2 received a homestead exemption on January 1, 2007. The
3 assessed value of the newly established homestead shall be
4 determined as follows:

5 1. If the just value of the new homestead is greater
6 than or equal to the just value of the prior homestead of the
7 person establishing the new homestead as of January 1 of the
8 year in which the prior homestead was abandoned, the assessed
9 value of the new homestead shall be the just value of the new
10 homestead minus an amount equal to the lesser of \$1 million or
11 the difference between the just value and the assessed value
12 of the prior homestead as of January 1 of the year in which
13 the prior homestead was abandoned. Thereafter, the homestead
14 shall be assessed as provided herein.

15 2. If the just value of the new homestead is less than
16 the just value of the prior homestead of the person
17 establishing the new homestead as of January 1 of the year in
18 which the prior homestead was abandoned, the assessed value of
19 the new homestead shall be equal to the just value of the new
20 homestead divided by the just value of the prior homestead and
21 multiplied by the assessed value of the prior homestead.
22 However, if the difference between the just value of the new
23 homestead and the assessed value of the new homestead
24 calculated pursuant to this sub-subparagraph is greater than
25 \$1 million, the assessed value of the new homestead shall be
26 increased so that the difference between the just value and
27 the assessed value equals \$1 million. Thereafter, the
28 homestead shall be assessed as provided herein.

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

1 (d) The legislature may, by general law, for
2 assessment purposes and subject to the provisions of this
3 subsection, allow counties and municipalities to authorize by
4 ordinance that historic property may be assessed solely on the
5 basis of character or use. Such character or use assessment
6 shall apply only to the jurisdiction adopting the ordinance.
7 The requirements for eligible properties must be specified by
8 general law.

9 (e) A county may, in the manner prescribed by general
10 law, provide for a reduction in the assessed value of
11 homestead property to the extent of any increase in the
12 assessed value of that property which results from the
13 construction or reconstruction of the property for the purpose
14 of providing living quarters for one or more natural or
15 adoptive grandparents or parents of the owner of the property
16 or of the owner's spouse if at least one of the grandparents
17 or parents for whom the living quarters are provided is 62
18 years of age or older. Such a reduction may not exceed the
19 lesser of the following:

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

22 (2) Twenty percent of the total assessed value of the
23 property as improved.

24 (f) As defined by general law, real property that is
25 used to provide affordable housing and is subject to rent
26 restrictions imposed by a governmental agency may be assessed
27 as provided by general law, subject to conditions or
28 limitations specified therein. This subsection shall apply to
29 all levies other than school district levies.

30 (g) As defined by general law, land that is used
31 exclusively for commercial fishing purposes or that is open to

1 the public and used predominantly for commercial
2 water-dependent activities or for public access to waters that
3 are navigable may be assessed as provided by general law,
4 subject to conditions or limitations specified therein. For
5 purposes of this paragraph, the term "water-dependent
6 activity" means any activity that can be conducted only on,
7 in, over, or adjacent to waters that are navigable and that
8 requires direct access to water and involves the use of water
9 as an integral part of such activity. This subsection shall
10 apply to all levies other than school district levies.

11 SECTION 6. Homestead exemptions.--

12 (a) Every person who has the legal or equitable title
13 to real estate and maintains thereon the permanent residence
14 of the owner, or another legally or naturally dependent upon
15 the owner, shall be exempt from taxation thereon, except
16 assessments for special benefits, up to the assessed valuation
17 of twenty-five ~~five~~ thousand dollars and, for all levies other
18 than school district levies, on the assessed valuation greater
19 than fifty thousand dollars and up to seventy-five thousand
20 dollars, upon establishment of right thereto in the manner
21 prescribed by law. The real estate may be held by legal or
22 equitable title, by the entirety, jointly, in common, as a
23 condominium, or indirectly by stock ownership or membership
24 representing the owner's or member's proprietary interest in a
25 corporation owning a fee or a leasehold initially in excess of
26 ninety-eight years. The exemption shall not apply with respect
27 to any assessment roll until such roll is first determined to
28 be in compliance with the provisions of section 4 by a state
29 agency designated by general law. This exemption is repealed
30 on the effective date of any amendment to this Article which
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1 provides for the assessment of homestead property at less than
2 just value.

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

10 (c) As provided by general law and subject to
11 conditions specified therein, each person who establishes the
12 right to receive the homestead exemption provided in
13 subsection (a) within one year after purchasing the homestead
14 property and who had not previously owned property receiving
15 the homestead exemption provided in subsection (a) is entitled
16 to an additional homestead exemption in an amount equal to
17 twenty-five percent of the homestead property's just value on
18 January 1 of the year in which the homestead is established,
19 not to exceed twenty-five percent of the median just value of
20 homesteads in the county in which the homestead is located in
21 the year prior to establishing the new homestead. This
22 exemption is not available if any owner of the property has
23 previously owned property that received the homestead
24 exemption provided in subsection (a). The additional homestead
25 exemption shall be reduced each year by the difference between
26 the homestead's just value and assessed value as determined
27 under subsection (c) of Section 4 until the value of the
28 exemption is reduced to zero. The exemption provided under
29 this subsection shall apply to all levies other than school
30 district levies.

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

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

26 (d)(e) By general law and subject to conditions
27 specified therein, the Legislature may provide to renters, who
28 are permanent residents, ad valorem tax relief on all ad
29 valorem tax levies. Such ad valorem tax relief shall be in the
30 form and amount established by general law.

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

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

1 service-connected disability and such evidence that reasonably
2 identifies the disability as combat related, and a copy of the
3 veteran's honorable discharge. If the property appraiser
4 denies the request for a discount, the appraiser must notify
5 the applicant in writing of the reasons for the denial, and
6 the veteran may reapply. The Legislature may, by general law,
7 waive the annual application requirement in subsequent years.
8 This subsection shall take effect December 7, 2006, is
9 self-executing, and does not require implementing legislation.

10 (g) Real property owned and used as a homestead by a
11 person who has attained age sixty-five and whose household
12 income, as defined by general law, does not exceed \$23,604 is
13 exempt from ad valorem taxation on the first \$100,000 of
14 assessed value. The legislature shall provide for an annual
15 adjustment of the income limitation prescribed in this
16 subsection for changes in the cost of living and may provide
17 additional financial eligibility requirements or other
18 eligibility requirements.

19 SECTION 9. Local taxes.--

20 (a) Counties, school districts, and municipalities
21 shall, and special districts may, be authorized by law to levy
22 ad valorem taxes and may be authorized by general law to levy
23 other taxes, for their respective purposes, except ad valorem
24 taxes on intangible personal property and taxes prohibited by
25 this constitution.

26 (b) Ad valorem taxes, exclusive of taxes levied for
27 the payment of bonds and taxes levied for periods not longer
28 than two years when authorized by vote of the electors who are
29 the owners of freeholds therein not wholly exempt from
30 taxation, shall not be levied in excess of the following
31 millages upon the assessed value of real estate and tangible

1 | personal property: for all county purposes, ten mills; for all
2 | municipal purposes, ten mills; for all school purposes, ten
3 | mills; for water management purposes for the northwest portion
4 | of the state lying west of the line between ranges two and
5 | three east, 0.05 mill; for water management purposes for the
6 | remaining portions of the state, 1.0 mill; and for all other
7 | special districts a millage authorized by law approved by vote
8 | of the electors who are owners of freeholds therein not wholly
9 | exempt from taxation. A county furnishing municipal services
10 | may, to the extent authorized by law, levy additional taxes
11 | within the limits fixed for municipal purposes.

12 | (c) By general law, the legislature shall limit the
13 | authority of counties, municipalities, and special districts
14 | to increase ad valorem taxes.

15 | ARTICLE VIII

16 | LOCAL GOVERNMENT

17 | SECTION 1. Counties.--

18 | (a) POLITICAL SUBDIVISIONS. The state shall be
19 | divided by law into political subdivisions called counties.
20 | Counties may be created, abolished or changed by law, with
21 | provision for payment or apportionment of the public debt.

22 | (b) COUNTY FUNDS. The care, custody and method of
23 | disbursing county funds shall be provided by general law.

24 | (c) GOVERNMENT. Pursuant to general or special law, a
25 | county government may be established by charter which shall be
26 | adopted, amended or repealed only upon vote of the electors of
27 | the county in a special election called for that purpose.

28 | (d) COUNTY OFFICERS. There shall be elected by the
29 | electors of each county, for terms of four years, a sheriff, a
30 | tax collector, a property appraiser, a supervisor of
31 | elections, and a clerk of the circuit court; except, when

1 provided by county charter or special law approved by vote of
2 the electors of the county, any county officer other than a
3 property appraiser may be chosen in another manner therein
4 specified, or any county office other than the office of
5 property appraiser may be abolished when all the duties of the
6 office prescribed by general law are transferred to another
7 office. A charter for which the office of property appraiser
8 is abolished remains in full force and effect and may be
9 amended; however, the office to which the constitutional
10 duties of the property appraiser are transferred under the
11 charter must be elected by the electors of the county. When
12 not otherwise provided by county charter or special law
13 approved by vote of the electors, the clerk of the circuit
14 court shall be ex officio clerk of the board of county
15 commissioners, auditor, recorder and custodian of all county
16 funds.

17 (e) COMMISSIONERS. Except when otherwise provided by
18 county charter, the governing body of each county shall be a
19 board of county commissioners composed of five or seven
20 members serving staggered terms of four years. After each
21 decennial census the board of county commissioners shall
22 divide the county into districts of contiguous territory as
23 nearly equal in population as practicable. One commissioner
24 residing in each district shall be elected as provided by law.

25 (f) NON-CHARTER GOVERNMENT. Counties not operating
26 under county charters shall have such power of self-government
27 as is provided by general or special law. The board of county
28 commissioners of a county not operating under a charter may
29 enact, in a manner prescribed by general law, county
30 ordinances not inconsistent with general or special law, but
31 an ordinance in conflict with a municipal ordinance shall not

1 | be effective within the municipality to the extent of such
2 | conflict.

3 | (g) CHARTER GOVERNMENT. Counties operating under
4 | county charters shall have all powers of local self-government
5 | not inconsistent with general law, or with special law
6 | approved by vote of the electors. The governing body of a
7 | county operating under a charter may enact county ordinances
8 | not inconsistent with general law. The charter shall provide
9 | which shall prevail in the event of conflict between county
10 | and municipal ordinances.

11 | (h) TAXES; LIMITATION. Property situate within
12 | municipalities shall not be subject to taxation for services
13 | rendered by the county exclusively for the benefit of the
14 | property or residents in unincorporated areas.

15 | (i) COUNTY ORDINANCES. Each county ordinance shall be
16 | filed with the custodian of state records and shall become
17 | effective at such time thereafter as is provided by general
18 | law.

19 | (j) VIOLATION OF ORDINANCES. Persons violating county
20 | ordinances shall be prosecuted and punished as provided by
21 | law.

22 | (k) COUNTY SEAT. In every county there shall be a
23 | county seat at which shall be located the principal offices
24 | and permanent records of all county officers. The county seat
25 | may not be moved except as provided by general law. Branch
26 | offices for the conduct of county business may be established
27 | elsewhere in the county by resolution of the governing body of
28 | the county in the manner prescribed by law. No instrument
29 | shall be deemed recorded until filed at the county seat, or a
30 | branch office designated by the governing body of the county
31 | for the recording of instruments, according to law.

ARTICLE XII

SCHEDULE

SECTION 27. Elected property appraisers;

application.--The requirement in Section 1(d) of Article VIII for a property appraiser to be elected by the electors of the county shall apply in each county, including each charter county, regardless of whether the charter was adopted pursuant to Section 1(q) of Article VIII or pursuant to Section 9, Section 10, Section 11, or Section 24 of Article VIII of the Constitution of 1885, as amended and incorporated by reference in Section 6(e) of Article VIII. Any county that does not have an elected property appraiser on the effective date of the amendment to Section 1 of Article VIII of this constitution shall provide for electing a property appraiser at the next general election as provided by general law.

SECTION 28. Property tax exemptions and ad valorem tax limitations.--The amendments to Sections 3, 4, 6, and 9 of Article VII, providing a \$25,000 exemption for tangible personal property, providing an additional \$25,000 homestead exemption, authorizing transfer of the accrued benefit from the limitations on the assessment of homestead property, providing an additional homestead exemption for first-time homestead property owners, providing a complete homestead exemption for low-income seniors, providing for assessing rent-restricted affordable housing and commercial and public-access waterfront property pursuant to general law, and requiring the legislature to limit the authority of counties, municipalities, and special districts to increase ad valorem taxes, and the creation of Section 27 of this Article providing for election of county property appraisers, and this section, if submitted to the electors of this state for

1 approval or rejection at a special election authorized by law
2 to be held on January 29, 2008, shall take effect upon
3 approval by the electors and shall operate retroactively to
4 January 1, 2008, or, if submitted to the electors of this
5 state for approval or rejection at the next general election,
6 shall take effect January 1 of the year following such general
7 election.

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