

By Senator Fasano

11-02377-08

20082024__

Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution, relating to taxation and assessments, to require that the just valuation of real property be based on present use.

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

That the following amendment to Section 4 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. Just valuation of property shall be determined based upon present use. Speculative values based upon the hypothetical use of a property may not be taken into consideration. In addition, provided:

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

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for

11-02377-08

20082024__

29 | taxation at a specified percentage of its value, may be
30 | classified for tax purposes, or may be exempted from taxation.

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

36 | (1) Assessments subject to this provision shall be changed
37 | annually on January 1st of each year; but those changes in
38 | assessments may ~~shall~~ not exceed the lower of the following:

39 | a. Three percent ~~(3%)~~ of the assessment for the prior year.

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

45 | (2) No assessment shall exceed just value.

46 | (3) After any change of ownership, as provided by general
47 | law, homestead property shall be assessed at just value as of
48 | January 1 of the following year, unless the provisions of
49 | paragraph (8) apply. Thereafter, the homestead shall be assessed
50 | as provided herein.

51 | (4) New homestead property shall be assessed at just value
52 | as of January 1st of the year following the establishment of the
53 | homestead, unless the provisions of paragraph (8) apply. That
54 | assessment shall only change as provided herein.

55 | (5) Changes, additions, reductions, or improvements to
56 | homestead property shall be assessed as provided for by general
57 | law; provided, however, after the adjustment for any change,

11-02377-08

20082024__

58 | addition, reduction, or improvement, the property shall be
59 | assessed as provided herein.

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

62 | (7) The provisions of this amendment are severable. If any
63 | of the provisions of this amendment shall be held
64 | unconstitutional by any court of competent jurisdiction, the
65 | decision of such court shall not affect or impair any remaining
66 | provisions of this amendment.

67 | (8)a. A person who establishes a new homestead as of
68 | January 1, 2009, or January 1 of any subsequent year and who has
69 | received a homestead exemption pursuant to Section 6 of this
70 | Article as of January 1 of either of the two years immediately
71 | preceding the establishment of the new homestead is entitled to
72 | have the new homestead assessed at less than just value. ~~If this~~
73 | ~~revision is approved in January of 2008,~~ A person who establishes
74 | a new homestead as of January 1, 2008, is entitled to have the
75 | new homestead assessed at less than just value only if that
76 | person received a homestead exemption on January 1, 2007. The
77 | assessed value of the newly established homestead shall be
78 | determined as follows:

79 | 1. If the just value of the new homestead is greater than
80 | or equal to the just value of the prior homestead as of January 1
81 | of the year in which the prior homestead was abandoned, the
82 | assessed value of the new homestead shall be the just value of
83 | the new homestead minus an amount equal to the lesser of \$500,000
84 | or the difference between the just value and the assessed value
85 | of the prior homestead as of January 1 of the year in which the

11-02377-08

20082024__

86 prior homestead was abandoned. Thereafter, the homestead shall be
87 assessed as provided herein.

88 2. If the just value of the new homestead is less than the
89 just value of the prior homestead as of January 1 of the year in
90 which the prior homestead was abandoned, the assessed value of
91 the new homestead shall be equal to the just value of the new
92 homestead divided by the just value of the prior homestead and
93 multiplied by the assessed value of the prior homestead. However,
94 if the difference between the just value of the new homestead and
95 the assessed value of the new homestead calculated pursuant to
96 this sub-subparagraph is greater than \$500,000, the assessed
97 value of the new homestead shall be increased so that the
98 difference between the just value and the assessed value equals
99 \$500,000. Thereafter, the homestead shall be assessed as provided
100 herein.

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

104 (d) The legislature may, by general law, for assessment
105 purposes and subject to the provisions of this subsection, allow
106 counties and municipalities to authorize by ordinance that
107 historic property may be assessed solely on the basis of
108 character or use. Such character or use assessment shall apply
109 only to the jurisdiction adopting the ordinance. The requirements
110 for eligible properties must be specified by general law.

111 (e) A county may, in the manner prescribed by general law,
112 provide for a reduction in the assessed value of homestead
113 property to the extent of any increase in the assessed value of
114 that property which results from the construction or

11-02377-08

20082024__

115 reconstruction of the property for the purpose of providing
116 living quarters for one or more natural or adoptive grandparents
117 or parents of the owner of the property or of the owner's spouse
118 if at least one of the grandparents or parents for whom the
119 living quarters are provided is 62 years of age or older. Such a
120 reduction may not exceed the lesser of the following:

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

123 (2) Twenty percent of the total assessed value of the
124 property as improved.

125 (f) For all levies other than school district levies,
126 assessments of residential real property, as defined by general
127 law, which contains nine units or fewer and which is not subject
128 to the assessment limitations set forth in subsections (a)
129 through (c) shall change only as provided in this subsection.

130 (1) Assessments subject to this subsection shall be changed
131 annually on the date of assessment provided by law; but those
132 changes in assessments shall not exceed ten percent (10%) of the
133 assessment for the prior year.

134 (2) No assessment shall exceed just value.

135 (3) After a change of ownership or control, as defined by
136 general law, including any change of ownership of a legal entity
137 that owns the property, such property shall be assessed at just
138 value as of the next assessment date. Thereafter, such property
139 shall be assessed as provided in this subsection.

140 (4) Changes, additions, reductions, or improvements to such
141 property shall be assessed as provided for by general law;
142 however, after the adjustment for any change, addition,

11-02377-08

20082024__

143 reduction, or improvement, the property shall be assessed as
144 provided in this subsection.

145 (g) For all levies other than school district levies,
146 assessments of real property that is not subject to the
147 assessment limitations set forth in subsections (a) through (c)
148 and (f) shall change only as provided in this subsection.

149 (1) Assessments subject to this subsection shall be changed
150 annually on the date of assessment provided by law; but those
151 changes in assessments shall not exceed ten percent (10%) of the
152 assessment for the prior year.

153 (2) No assessment shall exceed just value.

154 (3) The legislature must provide that such property shall
155 be assessed at just value as of the next assessment date after a
156 qualifying improvement, as defined by general law, is made to
157 such property. Thereafter, such property shall be assessed as
158 provided in this subsection.

159 (4) The legislature may provide that such property shall be
160 assessed at just value as of the next assessment date after a
161 change of ownership or control, as defined by general law,
162 including any change of ownership of the legal entity that owns
163 the property. Thereafter, such property shall be assessed as
164 provided in this subsection.

165 (5) Changes, additions, reductions, or improvements to such
166 property shall be assessed as provided for by general law;
167 however, after the adjustment for any change, addition,
168 reduction, or improvement, the property shall be assessed as
169 provided in this subsection.

170 BE IT FURTHER RESOLVED that the following statement be
171 placed on the ballot:

11-02377-08

20082024__

172 CONSTITUTIONAL AMENDMENT
173 ARTICLE VII, SECTION 4
174 JUST VALUATION OF PROPERTY.--Proposing an amendment to the
175 State Constitution to require that the just valuation of property
176 be based on present use and not on hypothetical use.