

By Senator Dean

3-02628-08

20082658\_\_

## Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to allow the cap on homestead property assessments and the transfer of that cap to a new homestead to inure to the spouse, child, or grandchild of the property owner who inherits the property if the property becomes the homestead of the inheritor.

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

3-02628-08

20082658\_\_

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

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

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

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

44 (2) No assessment shall exceed just value.

45 (3) After any change of ownership, as provided by general  
46 law, homestead property shall be assessed at just value as of  
47 January 1 of the following year, unless the provisions of  
48 paragraphs (7) and ~~paragraph~~ (8) apply. Thereafter, the homestead  
49 shall be assessed as provided herein.

50 (4) New homestead property shall be assessed at just value  
51 as of January 1st of the year following the establishment of the  
52 homestead, unless the provisions of paragraphs (7) and ~~paragraph~~  
53 (8) apply. That assessment shall only change as provided herein.

54 (5) Changes, additions, reductions, or improvements to  
55 homestead property shall be assessed as provided for by general  
56 law; provided, however, after the adjustment for any change,  
57 addition, reduction, or improvement, the property shall be  
58 assessed as provided herein.

3-02628-08

20082658\_\_

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

61           (7) The provisions of this subsection shall inure to the  
62 surviving spouse, child, or grandchild of the property owner who  
63 inherits the homestead property if such spouse, child, or  
64 grandchild make the property his or her homestead as provided in  
65 Section 6 of this Article. ~~The provisions of this amendment are~~  
66 ~~severable. If any of the provisions of this amendment shall be~~  
67 ~~held 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           (8)a. A person who establishes a new homestead as of  
71 January 1, 2009, or January 1 of any subsequent year and who has  
72 received a homestead exemption pursuant to Section 6 of this  
73 Article as of January 1 of either of the two years immediately  
74 preceding the establishment of the new homestead is entitled to  
75 have the new homestead assessed at less than just value. If this  
76 revision is approved in January of 2008, a person who establishes  
77 a new homestead as of January 1, 2008, is entitled to have the  
78 new homestead assessed at less than just value only if that  
79 person received a homestead exemption on January 1, 2007. The  
80 assessed value of the newly established homestead shall be  
81 determined as follows:

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

3-02628-08

20082658\_\_

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

91 2. If the just value of the new homestead is less than the  
92 just value of the prior homestead as of January 1 of the year in  
93 which the prior homestead was abandoned, the assessed value of  
94 the new homestead shall be equal to the just value of the new  
95 homestead divided by the just value of the prior homestead and  
96 multiplied by the assessed value of the prior homestead. However,  
97 if the difference between the just value of the new homestead and  
98 the assessed value of the new homestead calculated pursuant to  
99 this sub-subparagraph is greater than \$500,000, the assessed  
100 value of the new homestead shall be increased so that the  
101 difference between the just value and the assessed value equals  
102 \$500,000. Thereafter, the homestead shall be assessed as provided  
103 herein.

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

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

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

3-02628-08

20082658\_\_

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

124 |       (1) The increase in assessed value resulting from  
125 | construction or reconstruction of the property.

126 |       (2) Twenty percent of the total assessed value of the  
127 | property as improved.

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

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

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

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

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

3-02628-08

20082658\_\_

146 reduction, or improvement, the property shall be assessed as  
147 provided in this subsection.

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

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

156 (2) No assessment shall exceed just value.

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

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

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

173 BE IT FURTHER RESOLVED that the following statement be  
174 placed on the ballot:

3-02628-08

20082658\_\_

175                                   CONSTITUTIONAL AMENDMENT  
176                                   ARTICLE VII, SECTION 4  
177            INHERITING HOMESTEAD PROPERTY.--Proposing an amendment to  
178 the State Constitution to allow the cap on homestead property  
179 assessments and the transfer of that cap to a new homestead to  
180 inure to the spouse, child, or grandchild of the property owner  
181 who inherits the property if the property becomes the homestead  
182 of the inheritor.