

House Joint Resolution

A joint resolution proposing amendments to Section 4 and 6 of Article VII and the creation of Section 27 of Article XII of the State Constitution to provide for the transfer of the accrued benefit from the limitation on the assessed value of homestead property, to provide for an additional homestead exemption, 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 Section 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:

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

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

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 shall not exceed the lower of the following:

38 | a. Three percent (3%) of the assessment for the prior
 39 | 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,
 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. For all levies other than school district levies, a
 68 person who establishes a new homestead as of January 1, 2009, or
 69 January 1 of any subsequent year and who has received a
 70 homestead exemption pursuant to Section 6 of this Article as of
 71 January 1 of either of the two years immediately preceding the
 72 establishment of the new homestead is entitled to have the new
 73 homestead assessed at less than just value. A person who
 74 establishes a new homestead as of January 1, 2009, is entitled
 75 to have the new homestead assessed at less than just value only
 76 if that person received a homestead exemption on January 1,
 77 2008. The assessed value of the newly established homestead
 78 shall be 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 of the person
 81 establishing the new homestead as of January 1 of the year in
 82 which the prior homestead was abandoned, the assessed value of

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83 the new homestead shall be the lesser of:

84 (A) The just value of the new homestead minus an amount
 85 equal to the difference between the just value and the assessed
 86 value of the prior homestead as of January 1 of the year in
 87 which the prior homestead was abandoned, not to exceed one
 88 million dollars; or

89 (B) Sixty percent (60%) of the just value of the new
 90 homestead up to one million dollars and one hundred percent
 91 (100%) of that portion of just value exceeding one million
 92 dollars.

93
 94 Thereafter, the homestead shall be assessed as provided herein.

95 2. If the just value of the new homestead is less than the
 96 just value of the prior homestead of the person establishing the
 97 new homestead as of January 1 of the year in which the prior
 98 homestead was abandoned, the assessed value of the new homestead
 99 shall be equal to the lesser of:

100 (A) The just value of the new homestead divided by the
 101 just value of the prior homestead and multiplied by the assessed
 102 value of the prior homestead; or

103 (B) Sixty percent (60%) of the just value of the new
 104 homestead up to \$1 million and one hundred percent (100%) of
 105 that portion of the just value exceeding one million dollars.

106
 107 However, if the difference between the just value of the new
 108 homestead and the assessed value of the new homestead calculated
 109 pursuant to this sub-subparagraph is greater than one million
 110 dollars, the assessed value of the new homestead shall be

111 increased so that the difference between the just value and the
 112 assessed value equals one million dollars. Thereafter, the
 113 homestead shall be assessed as provided herein.

114 b. By general law and subject to conditions specified
 115 therein, the legislature shall provide for application of this
 116 paragraph to property owned by more than one person.

117 (9) By general law, the legislature may decrease the
 118 percentages specified in sub-sub-subparagraphs (8)a.1.(B) and
 119 2.(B).

120 (d) The legislature may, by general law, for assessment
 121 purposes and subject to the provisions of this subsection, allow
 122 counties and municipalities to authorize by ordinance that
 123 historic property may be assessed solely on the basis of
 124 character or use. Such character or use assessment shall apply
 125 only to the jurisdiction adopting the ordinance. The
 126 requirements for eligible properties must be specified by
 127 general law.

128 (e) A county may, in the manner prescribed by general law,
 129 provide for a reduction in the assessed value of homestead
 130 property to the extent of any increase in the assessed value of
 131 that property which results from the construction or
 132 reconstruction of the property for the purpose of providing
 133 living quarters for one or more natural or adoptive grandparents
 134 or parents of the owner of the property or of the owner's spouse
 135 if at least one of the grandparents or parents for whom the
 136 living quarters are provided is 62 years of age or older. Such a
 137 reduction may not exceed the lesser of the following:

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

140 (2) Twenty percent of the total assessed value of the
 141 property as improved.

142 SECTION 6. Homestead exemptions.--

143 (a) (1) Every person who has the legal or equitable title
 144 to real estate and maintains thereon the permanent residence of
 145 the owner, or another legally or naturally dependent upon the
 146 owner, shall be exempt from taxation thereon, upon establishment
 147 of right thereto in the manner prescribed by law, except
 148 assessments for special benefits, up to the assessed valuation
 149 of twenty-five ~~five~~ thousand dollars plus an amount equal to the
 150 greater of:

151 a. Forty percent (40%) of the just valuation of such
 152 property greater than twenty-five thousand dollars up to five
 153 hundred thousand dollars of just valuation; or

154 b. The accumulated benefit provided under subsection (c)
 155 of Section 4 of this Article, ~~upon establishment of right~~
 156 ~~thereto in the manner prescribed by law.~~

157 (2) The real estate may be held by legal or equitable
 158 title, by the entireties, jointly, in common, as a condominium,
 159 or indirectly by stock ownership or membership representing the
 160 owner's or member's proprietary interest in a corporation owning
 161 a fee or a leasehold initially in excess of ninety-eight years.
 162 The exemption shall not apply with respect to any assessment
 163 roll until such roll is first determined to be in compliance
 164 with the provisions of Section 4 of this Article by a state
 165 agency designated by general law. This exemption is repealed on

166 the effective date of any amendment to Section 4 of this Article
 167 that provides for the assessment of homestead property at less
 168 than just value.

169 (b) Not more than one exemption shall be allowed any
 170 individual or family unit or with respect to any residential
 171 unit. No exemption shall exceed the value of the real estate
 172 assessable to the owner or, in case of ownership through stock
 173 or membership in a corporation, the value of the proportion
 174 which the interest in the corporation bears to the assessed
 175 value of the property.

176 ~~(c) By general law and subject to conditions specified~~
 177 ~~therein, the exemption shall be increased to a total of twenty-~~
 178 ~~five thousand dollars of the assessed value of the real estate~~
 179 ~~for each school district levy. By general law and subject to~~
 180 ~~conditions specified therein, the exemption for all other levies~~
 181 ~~may be increased up to an amount not exceeding ten thousand~~
 182 ~~dollars of the assessed value of the real estate if the owner~~
 183 ~~has attained age sixty five or is totally and permanently~~
 184 ~~disabled and if the owner is not entitled to the exemption~~
 185 ~~provided in subsection (d).~~

186 ~~(d) By general law and subject to conditions specified~~
 187 ~~therein, the exemption shall be increased to a total of the~~
 188 ~~following amounts of assessed value of real estate for each levy~~
 189 ~~other than those of school districts: fifteen thousand dollars~~
 190 ~~with respect to 1980 assessments; twenty thousand dollars with~~
 191 ~~respect to 1981 assessments; twenty five thousand dollars with~~
 192 ~~respect to assessments for 1982 and each year thereafter.~~
 193 ~~However, such increase shall not apply with respect to any~~

194 ~~assessment roll until such roll is first determined to be in~~
 195 ~~compliance with the provisions of section 4 by a state agency~~
 196 ~~designated by general law. This subsection shall stand repealed~~
 197 ~~on the effective date of any amendment to section 4 which~~
 198 ~~provides for the assessment of homestead property at a specified~~
 199 ~~percentage of its just value.~~

200 (c)~~(e)~~ By general law and subject to conditions specified
 201 therein, the Legislature may provide to renters, who are
 202 permanent residents, ad valorem tax relief on all ad valorem tax
 203 levies. Such ad valorem tax relief shall be in the form and
 204 amount established by general law.

205 (d)~~(f)~~ The legislature may, by general law, allow counties
 206 or municipalities, for the purpose of their respective tax
 207 levies and subject to the provisions of general law, to grant an
 208 additional homestead tax exemption not exceeding fifty thousand
 209 dollars to any person who has the legal or equitable title to
 210 real estate and maintains thereon the permanent residence of the
 211 owner and who has attained age sixty-five and whose household
 212 income, as defined by general law, does not exceed twenty
 213 thousand dollars. The general law must allow counties and
 214 municipalities to grant this additional exemption, within the
 215 limits prescribed in this subsection, by ordinance adopted in
 216 the manner prescribed by general law, and must provide for the
 217 periodic adjustment of the income limitation prescribed in this
 218 subsection for changes in the cost of living.

219 (e)~~(g)~~ Each veteran who is age 65 or older who is
 220 partially or totally permanently disabled shall receive a
 221 discount from the amount of the ad valorem tax otherwise owed on

222 homestead property the veteran owns and resides in if the
 223 disability was combat related, the veteran was a resident of
 224 this state at the time of entering the military service of the
 225 United States, and the veteran was honorably discharged upon
 226 separation from military service. The discount shall be in a
 227 percentage equal to the percentage of the veteran's permanent,
 228 service-connected disability as determined by the United States
 229 Department of Veterans Affairs. To qualify for the discount
 230 granted by this subsection, an applicant must submit to the
 231 county property appraiser, by March 1, proof of residency at the
 232 time of entering military service, an official letter from the
 233 United States Department of Veterans Affairs stating the
 234 percentage of the veteran's service-connected disability and
 235 such evidence that reasonably identifies the disability as
 236 combat related, and a copy of the veteran's honorable discharge.
 237 If the property appraiser denies the request for a discount, the
 238 appraiser must notify the applicant in writing of the reasons
 239 for the denial, and the veteran may reapply. The Legislature
 240 may, by general law, waive the annual application requirement in
 241 subsequent years. This subsection shall take effect December 7,
 242 2006, is self-executing, and does not require implementing
 243 legislation.

244 ARTICLE XII

245 SCHEDULE

246 SECTION 27. Property tax exemptions and ad valorem tax
 247 limitations.--The amendments to Sections 4 and 6 of Article VII,
 248 authorizing the transfer of the accrued benefit from the
 249 limitation on annual increases in assessments of homestead

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250 property and providing an additional homestead exemption equal
 251 to the greater of forty percent of the homestead's just
 252 valuation from twenty-five thousand dollars up to five hundred
 253 thousand dollars or the accumulated benefit from the limitation
 254 on annual increases in assessments of homestead property and
 255 this section, if submitted to the electors of this state for
 256 approval or rejection at the next general election, shall take
 257 effect January 1 of the year following such general election.

258 BE IT FURTHER RESOLVED that the following statement be
 259 placed on the ballot:

260 CONSTITUTIONAL AMENDMENT

261 ARTICLE VII, SECTIONS 4 AND 6

262 ARTICLE XII, SECTION 27

263 TRANSFER OF ACCUMULATED BENEFIT OF LIMITATIONS ON INCREASES
 264 IN HOMESTEAD PROPERTY ASSESSMENTS; ADDITIONAL HOMESTEAD
 265 EXEMPTION.--Proposing amendments to the State Constitution to:

266 (1) Provide for the transfer of accumulated Save-Our-Homes
 267 benefits. Homestead property owners will be able to transfer
 268 their Save-Our-Homes benefit to a new homestead within two years
 269 of relinquishing their previous homestead exemption; except, if
 270 the new homestead is established on January 1, 2008, the
 271 previous homestead must have been relinquished in 2007. If the
 272 new homestead has a higher just value than the old one, the
 273 benefit transferred shall be the lesser of (a) the just value of
 274 the new homestead minus an amount equal to the difference
 275 between the just value and the assessed value of the prior
 276 homestead as of January 1 of the year in which the prior
 277 homestead was abandoned, not to exceed \$1 million, or (b) 60

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278 | percent of the just value up to \$1 million in just value, and
279 | 100 percent of that portion of just value over \$1 million, of
280 | the new homestead; if the new homestead has a lower just value,
281 | the amount of benefit transferred will be equal to the lesser of
282 | (c) the just value of the new homestead divided by the just
283 | value of the prior homestead and multiplied by the assessed
284 | value of the prior homestead, or (d) 60 percent of the just
285 | value up to \$1 million in just value, and 100 percent of that
286 | portion of the just value over \$1 million, of the new homestead.
287 | The transferred benefit may not exceed \$1 million. Authorizes
288 | the Legislature to decrease the percentages of the just value of
289 | the new homestead used in the calculations. This provision does
290 | not apply to school taxes.

291 | (2) Provide for an additional homestead exemption equal to
292 | the greater of 40 percent of the just value of the homestead
293 | property from \$25,000 up to \$500,000 or the accumulated benefit
294 | provided under Save Our Homes.