

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Ensure lower taxes – HJR 441 would limit increases in the tax assessments of real property used for commercial or residential rental purposes.

B. EFFECT OF PROPOSED CHANGES:

HJR 441 amends Article VII, s. 4(f) of the Florida Constitution. The amendment would limit assessments of real property used for commercial or residential rental purposes to the greater of five percent or the average annual percentage growth in revenues derived from the property over the preceding three years if ownership has not changed.

If approved by the electorate at the November 2008 general election, or at an earlier special election specifically authorized by law for that purpose, the House Joint Resolution would take effect pursuant to general law.

C. SECTION DIRECTORY:

Not applicable to a joint resolution.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Non-Recurring FY 2008-09

Department Of State, Division of Elections
Publication Costs \$60,000 (General Revenue)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The ad valorem tax base would be reduced if the constitutional changes proposed by the House Joint Resolution are approved by the voters. The Revenue Estimating Impact Conference has not considered these issues.

2. Expenditures:

Property Appraisers may incur additional costs in order to implement the provisions of the House Joint Resolution.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Taxpayers who pay taxes on residential rental property or property used for commercial purposes may experience lower taxes.

D. FISCAL COMMENTS:

The Florida Constitution requires publication of a proposed amendment or revision to the constitution in one newspaper of general circulation in each county in which a newspaper is published, once in the tenth week and once in the sixth week immediately preceding the week in which the election is held. The estimated non-recurring cost of compliance would be approximately \$60,000.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The mandates provision is not applicable to joint resolutions.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

With the constitutional amendment approved by the electorate in January 2008, the constitutional reference to (f) may be incorrect. There is also no specific effective date for the HJR.

D. STATEMENT OF THE SPONSOR

Passage of this House Joint Resolution would result in giving commercial and rental properties owners an opportunity to seek relief when they cannot pass along tax increases.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

Not applicable.