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LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
03/17/2009	.	
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	.	
	.	

The Committee on Community Affairs (Wise) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the resolving clause and insert:

That the following amendments to Sections 4 and 6 of Article VII and the creation of two new sections in 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 or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII



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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) As provided by general law and subject to conditions, limitations, and reasonable definitions specified therein, land used for conservation purposes shall be classified by general law and assessed solely on the basis of character or use.

(c) 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.

(d) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at just value as of January 1 of the year following the effective date of this amendment. This assessment shall change only as provided in this subsection.

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

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

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



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41 Labor Statistics.

42 (2) No assessment shall exceed just value.

43 (3) After any change of ownership, as provided by general
44 law, homestead property shall be assessed at just value as of
45 January 1 of the following year, unless the provisions of
46 paragraph (8) apply. Thereafter, the homestead shall be assessed
47 as provided in this subsection.

48 (4) New homestead property shall be assessed at just value
49 as of January 1st of the year following the establishment of the
50 homestead, unless the provisions of paragraph (8) apply. That
51 assessment shall only change as provided in this subsection.

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

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

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

64 (8)a. A person who establishes a new homestead as of
65 January 1, 2009, or January 1 of any subsequent year and who has
66 received a homestead exemption pursuant to Section 6 of this
67 Article as of January 1 of either of the two years immediately
68 preceding the establishment of the new homestead is entitled to
69 have the new homestead assessed at less than just value. If this



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70 revision is approved in January of 2008, a person who
71 establishes a new homestead as of January 1, 2008, is entitled
72 to have the new homestead assessed at less than just value only
73 if that person received a homestead exemption on January 1,
74 2007. The assessed value of the newly established homestead
75 shall be determined as follows:

76 1. If the just value of the new homestead is greater than
77 or equal to the just value of the prior homestead as of January
78 1 of the year in which the prior homestead was abandoned, the
79 assessed value of the new homestead shall be the just value of
80 the new homestead minus an amount equal to the lesser of
81 \$500,000 or the difference between the just value and the
82 assessed value of the prior homestead as of January 1 of the
83 year in which the prior homestead was abandoned. Thereafter, the
84 homestead shall be assessed as provided in this subsection.

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

98 b. By general law and subject to conditions specified



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99 therein, the Legislature shall provide for application of this
100 paragraph to property owned by more than one person.

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

109 (f) A county may, in the manner prescribed by general law,
110 provide for a reduction in the assessed value of homestead
111 property to the extent of any increase in the assessed value of
112 that property which results from the construction or
113 reconstruction of the property for the purpose of providing
114 living quarters for one or more natural or adoptive grandparents
115 or parents of the owner of the property or of the owner's spouse
116 if at least one of the grandparents or parents for whom the
117 living quarters are provided is 62 years of age or older. Such a
118 reduction may not exceed the lesser of the following:

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

121 (2) Twenty percent of the total assessed value of the
122 property as improved.

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



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

132 (2) No assessment shall exceed just value.

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

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

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

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

151 (2) No assessment shall exceed just value.

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



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

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

168 (i) The legislature, by general law and subject to
169 conditions specified therein, may prohibit the consideration of
170 the following in the determination of the assessed value of real
171 property used for residential purposes:

172 (1) Any change or improvement made for the purpose of
173 improving the property's resistance to wind damage.

174 (2) The installation of a renewable energy source device.

175 (j)

176 (1) The assessment of the following working waterfront
177 properties shall be based upon the current use of the property:

178 a. Land used predominantly for commercial fishing purposes.

179 b. Land that is accessible to the public and used for
180 vessel launches into waters that are navigable.

181 c. Marinas and drystacks that are open to the public.

182 d. Water-dependent marine manufacturing facilities,
183 commercial fishing facilities, and marine vessel construction
184 and repair facilities and their support activities.

185 (2) The assessment benefit provided by this subsection is



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186 subject to conditions and limitations and reasonable definitions
187 as specified by the legislature by general law.

188 SECTION 6. Homestead exemptions.—

189 (a) Every person who has the legal or equitable title to
190 real estate and maintains thereon the permanent residence of the
191 owner, or another legally or naturally dependent upon the owner,
192 shall be exempt from taxation thereon, except assessments for
193 special benefits, up to the assessed valuation of twenty-five
194 thousand dollars and, for all levies other than school district
195 levies, on the assessed valuation greater than fifty thousand
196 dollars and up to seventy-five thousand dollars, upon
197 establishment of right thereto in the manner prescribed by law.
198 The real estate may be held by legal or equitable title, by the
199 entirety, jointly, in common, as a condominium, or indirectly
200 by stock ownership or membership representing the owner's or
201 member's proprietary interest in a corporation owning a fee or a
202 leasehold initially in excess of ninety-eight years. The
203 exemption shall not apply with respect to any assessment roll
204 until such roll is first determined to be in compliance with the
205 provisions of section 4 by a state agency designated by general
206 law. This exemption is repealed on the effective date of any
207 amendment to this Article which provides for the assessment of
208 homestead property at less than just value.

209 (b) Not more than one exemption shall be allowed any
210 individual or family unit or with respect to any residential
211 unit. No exemption shall exceed the value of the real estate
212 assessable to the owner or, in case of ownership through stock
213 or membership in a corporation, the value of the proportion
214 which the interest in the corporation bears to the assessed



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215 value of the property.

216 (c) By general law and subject to conditions specified
217 therein, the Legislature may provide to renters, who are
218 permanent residents, ad valorem tax relief on all ad valorem tax
219 levies. Such ad valorem tax relief shall be in the form and
220 amount established by general law.

221 (d) The legislature may, by general law, allow counties or
222 municipalities, for the purpose of their respective tax levies
223 and subject to the provisions of general law, to grant an
224 additional homestead tax exemption not exceeding fifty thousand
225 dollars to any person who has the legal or equitable title to
226 real estate and maintains thereon the permanent residence of the
227 owner and who has attained age sixty-five and whose household
228 income, as defined by general law, does not exceed twenty
229 thousand dollars. The general law must allow counties and
230 municipalities to grant this additional exemption, within the
231 limits prescribed in this subsection, by ordinance adopted in
232 the manner prescribed by general law, and must provide for the
233 periodic adjustment of the income limitation prescribed in this
234 subsection for changes in the cost of living.

235 (e) Each veteran who is age 65 or older who is partially or
236 totally permanently disabled shall receive a discount from the
237 amount of the ad valorem tax otherwise owed on homestead
238 property the veteran owns and resides in if the disability was
239 combat related, the veteran was a resident of this state at the
240 time of entering the military service of the United States, and
241 the veteran was honorably discharged upon separation from
242 military service. The discount shall be in a percentage equal to
243 the percentage of the veteran's permanent, service-connected



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244 disability as determined by the United States Department of
245 Veterans Affairs. To qualify for the discount granted by this
246 subsection, an applicant must submit to the county property
247 appraiser, by March 1, proof of residency at the time of
248 entering military service, an official letter from the United
249 States Department of Veterans Affairs stating the percentage of
250 the veteran's service-connected disability and such evidence
251 that reasonably identifies the disability as combat related, and
252 a copy of the veteran's honorable discharge. If the property
253 appraiser denies the request for a discount, the appraiser must
254 notify the applicant in writing of the reasons for the denial,
255 and the veteran may reapply. The Legislature may, by general
256 law, waive the annual application requirement in subsequent
257 years. This subsection shall take effect December 7, 2006, is
258 self-executing, and does not require implementing legislation.

259 (f) (1) By general law, and subject to conditions specified
260 therein, the legislature shall provide an additional homestead
261 exemption to the person or persons who:

262 a. Establish the right to receive the homestead exemption
263 in subsection (a) within one year after purchasing the homestead
264 property; and

265 b. Have not previously owned property to which the
266 homestead exemption in subsection (a) applied.

267 (2) The additional homestead exemption shall equal 50
268 percent of the just value of the property on January 1 of the
269 year in which the homestead exemption in subsection (a) is
270 received, but not more than \$250,000.

271 a. The amount of the additional exemption shall be reduced
272 in each subsequent year by an amount equal to twenty percent of



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273 the amount of the initial additional exemption or by an amount
274 equal to the difference between the just value of the property
275 and the assessed value determined under subsection (d) of
276 section 4 of this Article, whichever is greater.

277 b. The additional homestead exemption shall not apply after
278 the fifth year after the initial additional exemption is
279 granted.

280 (3) Only one additional exemption under this subsection may
281 apply to a single homestead property.

282 ARTICLE XII

283 SCHEDULE

284 Property tax limit for nonhomestead property.—The amendment
285 to Section 4 of Article VII reducing the limit on the maximum
286 annual increase in the assessed value of nonhomestead property
287 to five percent from ten percent and this section shall take
288 effect January 1, 2011.

289 Additional homestead exemption for first-time homestead
290 property owners.—The amendment to Section 6 of Article VII
291 providing for an additional homestead exemption for first-time
292 homestead property owners and this section shall take effect
293 January 1, 2011, and shall be available for properties purchased
294 on or after January 1, 2010.

295 CONSTITUTIONAL AMENDMENTS

296 ARTICLE VII, SECTIONS 4 and 6

297 ARTICLE XII

298 PROPERTY TAX LIMIT FOR NONHOMESTEAD PROPERTY; ADDITIONAL
299 HOMESTEAD EXEMPTION FOR FIRST-TIME HOMESTEAD PROPERTY OWNERS.—
300 The State Constitution generally limits the maximum annual
301 increase in the assessed value of nonhomestead property to 10



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302 percent annually. This proposed amendment reduces the maximum
303 increase in the assessed values of nonhomestead property to 5
304 percent annually, effective January 1, 2011.

305 This amendment also requires the Legislature to provide an
306 additional homestead exemption for first-time homestead property
307 owners. Under the exemption, 50 percent of the just value of a
308 first-time homestead, up to \$250,000, will be exempt from
309 property taxes. The amount of the additional exemption will
310 decrease in each succeeding year for five years by the greater
311 of 20 percent of the initial additional exemption or the
312 difference between the just value and the assessed value of the
313 property. The additional exemption will not be available in the
314 sixth and subsequent years.

315
316 ===== T I T L E A M E N D M E N T =====

317 And the title is amended as follows:

318 Delete everything before the resolving clause
319 and insert:

320 Senate Joint Resolution

321 A joint resolution proposing an amendments to Sections 4 and 6
322 of Article VII and the creation of two new sections in Article
323 XII of the State Constitution to generally limit the maximum
324 annual increase in the assessed value of nonhomestead property
325 to a level of 5 percent and to provide an additional homestead
326 exemption to first-time homestead property owners.