

1 House Joint Resolution

2 A joint resolution proposing an amendment to Section 4 of
 3 Article VII of the State Constitution to reduce from 10
 4 percent to 5 percent the limitation on annual assessment
 5 increases applicable to nonhomestead real property.

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

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 9 That the following amendment to Section 4 of Article VII of
 10 the State Constitution is agreed to and shall be submitted to
 11 the electors of this state for approval or rejection at the next
 12 general election or at an earlier special election specifically
 13 authorized by law for that purpose:

14 ARTICLE VII

15 FINANCE AND TAXATION

16 SECTION 4. Taxation; assessments.--By general law
 17 regulations shall be prescribed which shall secure a just
 18 valuation of all property for ad valorem taxation, provided:

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

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

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

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

31 | (d) 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 in this subsection.

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

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

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

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

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

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

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

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

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

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

80 1. If the just value of the new homestead is greater than
81 or equal to the just value of the prior homestead as of January
82 1 of the year in which the prior homestead was abandoned, the
83 assessed value of the new homestead shall be the just value of

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84 the new homestead minus an amount equal to the lesser of
85 \$500,000 or the difference between the just value and the
86 assessed value of the prior homestead as of January 1 of the
87 year in which the prior homestead was abandoned. Thereafter, the
88 homestead shall be assessed as provided in this subsection.

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

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

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

111 requirements for eligible properties must be specified by
 112 general law.

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

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

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

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

132 (1) Assessments subject to this subsection shall be
 133 changed annually on the date of assessment provided by law; but
 134 those changes in assessments shall not exceed five ~~ten~~ percent
 135 (5%) ~~(10%)~~ of the assessment for the prior year.

136 (2) No assessment shall exceed just value.

137 (3) After a change of ownership or control, as defined by
 138 general law, including any change of ownership of a legal entity

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139 that owns the property, such property shall be assessed at just
140 value as of the next assessment date. Thereafter, such property
141 shall be assessed as provided in this subsection.

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

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

151 (1) Assessments subject to this subsection shall be
152 changed annually on the date of assessment provided by law; but
153 those changes in assessments shall not exceed five ~~ten~~ percent
154 (5%) ~~(10%)~~ of the assessment for the prior year.

155 (2) No assessment shall exceed just value.

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

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

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

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

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

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

179 (j) (1) The assessment of the following working waterfront
 180 properties shall be based upon the current use of the property:

181 a. Land used predominantly for commercial fishing
 182 purposes.

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

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

186 d. Water-dependent marine manufacturing facilities,
 187 commercial fishing facilities, and marine vessel construction
 188 and repair facilities and their support activities.

189 (2) The assessment benefit provided by this subsection is
 190 subject to conditions and limitations and reasonable definitions
 191 as specified by the legislature by general law.

192 BE IT FURTHER RESOLVED that the following statement be
 193 placed on the ballot:

194 CONSTITUTIONAL AMENDMENT

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195 ARTICLE VII, SECTION 4
196 REDUCTION IN LIMITATION ON NONHOMESTEAD PROPERTY ANNUAL
197 ASSESSMENT INCREASES.--Proposing an amendment to the State
198 Constitution to reduce from 10 percent to 5 percent the
199 limitation on annual increases in assessments of nonhomestead
200 real property.