

By Senator Dean

3-00276-10

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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) 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.

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30 (c) Pursuant to general law tangible personal property held
31 for sale as stock in trade and livestock may be valued for
32 taxation at a specified percentage of its value, may be
33 classified for tax purposes, or may be exempted from taxation.

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

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

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

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

48 (2) No assessment shall exceed just value.

49 (3) After any change of ownership, as provided by general
50 law, homestead property shall be assessed at just value as of
51 January 1 of the following year, unless the provisions of
52 paragraphs (7) and (8) ~~paragraph (8)~~ apply. Thereafter, the
53 homestead shall be assessed as provided in this subsection.

54 (4) New homestead property shall be assessed at just value
55 as of January 1st of the year following the establishment of the
56 homestead, unless the provisions of paragraphs (7) and (8)
57 ~~paragraph (8)~~ apply. That assessment shall only change as
58 provided in this subsection.

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

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

66 (7) The provisions of this subsection shall inure to the
67 surviving spouse, child, or grandchild of the property owner who
68 inherits the homestead property if such spouse, child, or
69 grandchild makes the property his or her homestead as provided
70 in Section 6 of this Article. ~~The provisions of this amendment~~
71 ~~are severable. If any of the provisions of this amendment shall~~
72 ~~be held unconstitutional by any court of competent jurisdiction,~~
73 ~~the decision of such court shall not affect or impair any~~
74 ~~remaining provisions of this amendment.~~

75 (8)a. A person who establishes a new homestead as of
76 January 1, 2009, or January 1 of any subsequent year and who has
77 received a homestead exemption pursuant to Section 6 of this
78 Article as of January 1 of either of the two years immediately
79 preceding the establishment of the new homestead is entitled to
80 have the new homestead assessed at less than just value. If this
81 revision is approved in January of 2008, a person who
82 establishes a new homestead as of January 1, 2008, is entitled
83 to have the new homestead assessed at less than just value only
84 if that person received a homestead exemption on January 1,
85 2007. The assessed value of the newly established homestead
86 shall be determined as follows:

87 1. If the just value of the new homestead is greater than

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88 or equal to the just value of the prior homestead as of January
89 1 of the year in which the prior homestead was abandoned, the
90 assessed value of the new homestead shall be the just value of
91 the new homestead minus an amount equal to the lesser of
92 \$500,000 or the difference between the just value and the
93 assessed value of the prior homestead as of January 1 of the
94 year in which the prior homestead was abandoned. Thereafter, the
95 homestead shall be assessed as provided in this subsection.

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

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

112 (e) The legislature may, by general law, for assessment
113 purposes and subject to the provisions of this subsection, allow
114 counties and municipalities to authorize by ordinance that
115 historic property may be assessed solely on the basis of
116 character or use. Such character or use assessment shall apply

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117 only to the jurisdiction adopting the ordinance. The
118 requirements for eligible properties must be specified by
119 general law.

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

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

132 (2) Twenty percent of the total assessed value of the
133 property as improved.

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

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

143 (2) No assessment shall exceed just value.

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

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146 that owns the property, such property shall be assessed at just
147 value as of the next assessment date. Thereafter, such property
148 shall be assessed as provided in this subsection.

149 (4) Changes, additions, reductions, or improvements to such
150 property shall be assessed as provided for by general law;
151 however, after the adjustment for any change, addition,
152 reduction, or improvement, the property shall be assessed as
153 provided in this subsection.

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

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

162 (2) No assessment shall exceed just value.

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

168 (4) The legislature may provide that such property shall be
169 assessed at just value as of the next assessment date after a
170 change of ownership or control, as defined by general law,
171 including any change of ownership of the legal entity that owns
172 the property. Thereafter, such property shall be assessed as
173 provided in this subsection.

174 (5) Changes, additions, reductions, or improvements to such

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175 property shall be assessed as provided for by general law;
176 however, after the adjustment for any change, addition,
177 reduction, or improvement, the property shall be assessed as
178 provided in this subsection.

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

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

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

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

188 a. Land used predominantly for commercial fishing purposes.

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

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

192 d. Water-dependent marine manufacturing facilities,
193 commercial fishing facilities, and marine vessel construction
194 and repair facilities and their support activities.

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

198 BE IT FURTHER RESOLVED that the following statement be
199 placed on the ballot:

200 CONSTITUTIONAL AMENDMENT

201 ARTICLE VII, SECTION 4

202 INHERITING HOMESTEAD PROPERTY.—Proposing an amendment to
203 the State Constitution to allow the cap on homestead property

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204 assessments and the transfer of that cap to a new homestead to
205 inure to the spouse, child, or grandchild of the property owner
206 who inherits the property if the property becomes the homestead
207 of the inheritor.