

By Senator Bennett

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Senate Joint Resolution

A joint resolution proposing an amendment to Sections 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution, relating to the property tax exemption for a renewable energy source device and the property on which the device is installed and operated.

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

That the following amendment to Sections 3 and 4 of Article VII and the creation of a new section 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

FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods

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30 and personal effects to the value fixed by general law, not less  
31 than one thousand dollars, and to every widow or widower or  
32 person who is blind or totally and permanently disabled,  
33 property to the value fixed by general law not less than five  
34 hundred dollars.

35 (c) Any county or municipality may, for the purpose of its  
36 respective tax levy and subject to the provisions of this  
37 subsection and general law, grant community and economic  
38 development ad valorem tax exemptions to new businesses and  
39 expansions of existing businesses, as defined by general law.  
40 Such an exemption may be granted only by ordinance of the county  
41 or municipality, and only after the electors of the county or  
42 municipality voting on such question in a referendum authorize  
43 the county or municipality to adopt such ordinances. An  
44 exemption so granted shall apply to improvements to real  
45 property made by or for the use of a new business and  
46 improvements to real property related to the expansion of an  
47 existing business and shall also apply to tangible personal  
48 property of such new business and tangible personal property  
49 related to the expansion of an existing business. The amount or  
50 limits of the amount of such exemption shall be specified by  
51 general law. The period of time for which such exemption may be  
52 granted to a new business or expansion of an existing business  
53 shall be determined by general law. The authority to grant such  
54 exemption shall expire ten years from the date of approval by  
55 the electors of the county or municipality, and may be renewable  
56 by referendum as provided by general law.

57 (d) By general law and subject to conditions specified in  
58 that law, the legislature may grant an ad valorem tax exemption

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59 to a renewable energy source device and to the real property on  
60 which the device is installed and operated. The value of the  
61 exemption shall be fixed by general law and may not exceed the  
62 original cost of the device. The duration of the exemption as  
63 applied to any device and real property shall be fixed by  
64 general law and may not exceed ten years.

65 (e)~~(d)~~ Any county or municipality may, for the purpose of  
66 its respective tax levy and subject to the provisions of this  
67 subsection and general law, grant historic preservation ad  
68 valorem tax exemptions to owners of historic properties. This  
69 exemption may be granted only by ordinance of the county or  
70 municipality. The amount or limits of the amount of this  
71 exemption and the requirements for eligible properties must be  
72 specified by general law. The period of time for which this  
73 exemption may be granted to a property owner shall be determined  
74 by general law.

75 (f)~~(e)~~ By general law and subject to conditions specified  
76 therein, twenty-five thousand dollars of the assessed value of  
77 property subject to tangible personal property tax shall be  
78 exempt from ad valorem taxation.

79 (g)~~(f)~~ There shall be granted an ad valorem tax exemption  
80 for real property dedicated in perpetuity for conservation  
81 purposes, including real property encumbered by perpetual  
82 conservation easements or by other perpetual conservation  
83 protections, as defined by general law.

84 SECTION 4. Taxation; assessments.—By general law  
85 regulations shall be prescribed which shall secure a just  
86 valuation of all property for ad valorem taxation, provided:

87 (a) Agricultural land, land producing high water recharge

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88 to Florida's aquifers, or land used exclusively for  
89 noncommercial recreational purposes may be classified by general  
90 law and assessed solely on the basis of character or use.

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

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

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

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

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

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

113 (2) No assessment shall exceed just value.

114 (3) After any change of ownership, as provided by general  
115 law, homestead property shall be assessed at just value as of  
116 January 1 of the following year, unless the provisions of

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117 paragraph (8) apply. Thereafter, the homestead shall be assessed  
118 as provided in this subsection.

119 (4) New homestead property shall be assessed at just value  
120 as of January 1st of the year following the establishment of the  
121 homestead, unless the provisions of paragraph (8) apply. That  
122 assessment shall ~~only~~ change only as provided in this  
123 subsection.

124 (5) Changes, additions, reductions, or improvements to  
125 homestead property shall be assessed as provided for by general  
126 law; provided, however, after the adjustment for any change,  
127 addition, reduction, or improvement, the property shall be  
128 assessed as provided in this subsection.

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

131 (7) The provisions of this amendment are severable. If any  
132 of the provisions of this amendment shall be held  
133 unconstitutional by any court of competent jurisdiction, the  
134 decision of such court shall not affect or impair any remaining  
135 provisions of this amendment.

136 (8)a. A person who establishes a new homestead as of  
137 January 1, 2009, or January 1 of any subsequent year and who has  
138 received a homestead exemption pursuant to Section 6 of this  
139 Article as of January 1 of either of the two years immediately  
140 preceding the establishment of the new homestead is entitled to  
141 have the new homestead assessed at less than just value. If this  
142 revision is approved in January of 2008, a person who  
143 establishes a new homestead as of January 1, 2008, is entitled  
144 to have the new homestead assessed at less than just value only  
145 if that person received a homestead exemption on January 1,

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146 2007. The assessed value of the newly established homestead  
147 shall be determined as follows:

148 1. If the just value of the new homestead is greater than  
149 or equal to the just value of the prior homestead as of January  
150 1 of the year in which the prior homestead was abandoned, the  
151 assessed value of the new homestead shall be the just value of  
152 the new homestead minus an amount equal to the lesser of  
153 \$500,000 or the difference between the just value and the  
154 assessed value of the prior homestead as of January 1 of the  
155 year in which the prior homestead was abandoned. Thereafter, the  
156 homestead shall be assessed as provided in this subsection.

157 2. If the just value of the new homestead is less than the  
158 just value of the prior homestead as of January 1 of the year in  
159 which the prior homestead was abandoned, the assessed value of  
160 the new homestead shall be equal to the just value of the new  
161 homestead divided by the just value of the prior homestead and  
162 multiplied by the assessed value of the prior homestead.  
163 However, if the difference between the just value of the new  
164 homestead and the assessed value of the new homestead calculated  
165 pursuant to this sub-subparagraph is greater than \$500,000, the  
166 assessed value of the new homestead shall be increased so that  
167 the difference between the just value and the assessed value  
168 equals \$500,000. Thereafter, the homestead shall be assessed as  
169 provided in this subsection.

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

173 (e) The legislature may, by general law, for assessment  
174 purposes and subject to the provisions of this subsection, allow

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175 counties and municipalities to authorize by ordinance that  
176 historic property may be assessed solely on the basis of  
177 character or use. Such character or use assessment shall apply  
178 only to the jurisdiction adopting the ordinance. The  
179 requirements for eligible properties must be specified by  
180 general law.

181 (f) A county may, in the manner prescribed by general law,  
182 provide for a reduction in the assessed value of homestead  
183 property to the extent of any increase in the assessed value of  
184 that property which results from the construction or  
185 reconstruction of the property for the purpose of providing  
186 living quarters for one or more natural or adoptive grandparents  
187 or parents of the owner of the property or of the owner's spouse  
188 if at least one of the grandparents or parents for whom the  
189 living quarters are provided is 62 years of age or older. Such a  
190 reduction may not exceed the lesser of the following:

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

193 (2) Twenty percent of the total assessed value of the  
194 property as improved.

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

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

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204 (2) No assessment shall exceed just value.

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

210 (4) Changes, additions, reductions, or improvements to such  
211 property shall be assessed as provided for by general law;  
212 however, after the adjustment for any change, addition,  
213 reduction, or improvement, the property shall be assessed as  
214 provided in this subsection.

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

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

223 (2) No assessment shall exceed just value.

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

229 (4) The legislature may provide that such property shall be  
230 assessed at just value as of the next assessment date after a  
231 change of ownership or control, as defined by general law,  
232 including any change of ownership of the legal entity that owns



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233 the property. Thereafter, such property shall be assessed as  
234 provided in this subsection.

235 (5) Changes, additions, reductions, or improvements to such  
236 property shall be assessed as provided for by general law;  
237 however, after the adjustment for any change, addition,  
238 reduction, or improvement, the property shall be assessed as  
239 provided in this subsection.

240 (i) The legislature, by general law and subject to  
241 conditions specified therein, may prohibit the consideration of  
242 any change or improvement made for the purpose of improving the  
243 property's resistance to wind damage ~~the following~~ in the  
244 determination of the assessed value of real property used for  
245 residential purposes:

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

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

249 (j) (1) The assessment of the following working waterfront  
250 properties shall be based upon the current use of the property:  
251 a. Land used predominantly for commercial fishing purposes.  
252 b. Land that is accessible to the public and used for  
253 vessel launches into waters that are navigable.  
254 c. Marinas and drystacks that are open to the public.  
255 d. Water-dependent marine manufacturing facilities,  
256 commercial fishing facilities, and marine vessel construction  
257 and repair facilities and their support activities.

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

261 ARTICLE XII

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SCHEDULE

Property tax exemption for a renewable energy source device.-

(a) The authorization for the legislature to grant the ad valorem tax exemption for a renewable energy source device and the property on which the device is installed and operated pursuant to Section 3 of Article VII shall take effect January 1, 2011.

(b) The repeal of the authorization for the legislature to prohibit an increase in the assessed value of real property used for residential purposes as a result of installing a renewable energy source device shall take effect upon approval by the electors.

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

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTIONS 3 and 4

ARTICLE XII

TAXATION OF RENEWABLE ENERGY SOURCE DEVICES.—Currently, the State Constitution authorizes the Legislature to prohibit the consideration of the existence of a renewable energy source device in determining the value of residential real property that is subject to property taxes. This proposed amendment to the State Constitution replaces that authorization with a provision that authorizes the Legislature to grant a property tax exemption for a renewable energy source device and the property on which it is installed for an amount not to exceed the purchase price of the device and for a duration not to exceed 10 years. Unlike the existing property tax benefit, the

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291 proposed property tax benefit is not limited to residential  
292 property.