

By Senator Garcia

40-01189-10

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Senate Joint Resolution

A joint resolution proposing amendments to Sections 2, 4, and 6 and the creation of Section 19 of Article VII and the creation of Section 31 of Article XII of the State Constitution to provide for an alternative methodology for changing assessments of homestead property, the rate for taxing homestead property, and homestead exemptions, provide for transitional assessments of homestead property, and provide an effective date.

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

That the following amendments to Sections 2, 4, and 6 and the creation of Section 19 of Article VII and the creation of Section 31 of 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 2. Taxes; rate.—Except as provided in Section 19 of this Article, all ad valorem taxation shall be at a uniform rate within each taxing unit, except the taxes on intangible personal property may be at different rates but shall never exceed two mills on the dollar of assessed value; provided, as to any obligations secured by mortgage, deed of trust, or other lien on real estate wherever located, an intangible tax of not more than

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30 two mills on the dollar may be levied by law to be in lieu of  
31 all other intangible assessments on such obligations.

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

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

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

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

47 (d) Except as provided in Section 19 of this Article, all  
48 persons entitled to a homestead exemption under Section 6 of  
49 this Article shall have their homestead assessed at just value  
50 as of January 1 of the year following the effective date of this  
51 amendment. This assessment shall change only as provided in this  
52 subsection.

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

- 56 a. Three percent (3%) of the assessment for the prior year.  
57 b. The percent change in the Consumer Price Index for all  
58 urban consumers, U.S. City Average, all items 1967=100, or

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59 successor reports for the preceding calendar year as initially  
60 reported by the United States Department of Labor, Bureau of  
61 Labor Statistics.

62 (2) No assessment shall exceed just value.

63 (3) After any change of ownership, as provided by general  
64 law, homestead property shall be assessed at just value as of  
65 January 1 of the following year, unless the provisions of  
66 paragraph (8) apply. Thereafter, the homestead shall be assessed  
67 as provided in this subsection.

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

72 (5) Changes, additions, reductions, or improvements to  
73 homestead property shall be assessed as provided for by general  
74 law; provided, however, after the adjustment for any change,  
75 addition, reduction, or improvement, the property shall be  
76 assessed as provided in this subsection.

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

79 (7) The provisions of this amendment are severable. If any  
80 of the provisions of this amendment shall be held  
81 unconstitutional by any court of competent jurisdiction, the  
82 decision of such court shall not affect or impair any remaining  
83 provisions of this amendment.

84 (8)a. A person who establishes a new homestead as of  
85 January 1, 2009, or January 1 of any subsequent year and who has  
86 received a homestead exemption pursuant to Section 6 of this  
87 Article as of January 1 of either of the two years immediately

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88 preceding the establishment of the new homestead is entitled to  
89 have the new homestead assessed at less than just value. If this  
90 revision is approved in January of 2008, a person who  
91 establishes a new homestead as of January 1, 2008, is entitled  
92 to have the new homestead assessed at less than just value only  
93 if that person received a homestead exemption on January 1,  
94 2007. The assessed value of the newly established homestead  
95 shall be determined as follows:

96 1. If the just value of the new homestead is greater than  
97 or equal to the just value of the prior homestead as of January  
98 1 of the year in which the prior homestead was abandoned, the  
99 assessed value of the new homestead shall be the just value of  
100 the new homestead minus an amount equal to the lesser of  
101 \$500,000 or the difference between the just value and the  
102 assessed value of the prior homestead as of January 1 of the  
103 year in which the prior homestead was abandoned. Thereafter, the  
104 homestead shall be assessed as provided in this subsection.

105 2. If the just value of the new homestead is less than the  
106 just value of the prior homestead as of January 1 of the year in  
107 which the prior homestead was abandoned, the assessed value of  
108 the new homestead shall be equal to the just value of the new  
109 homestead divided by the just value of the prior homestead and  
110 multiplied by the assessed value of the prior homestead.

111 However, if the difference between the just value of the new  
112 homestead and the assessed value of the new homestead calculated  
113 pursuant to this sub-subparagraph is greater than \$500,000, the  
114 assessed value of the new homestead shall be increased so that  
115 the difference between the just value and the assessed value  
116 equals \$500,000. Thereafter, the homestead shall be assessed as

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117 provided in this subsection.

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

121 (e) The legislature may, by general law, for assessment  
122 purposes and subject to the provisions of this subsection, allow  
123 counties and municipalities to authorize by ordinance that  
124 historic property may be assessed solely on the basis of  
125 character or use. Such character or use assessment shall apply  
126 only to the jurisdiction adopting the ordinance. The  
127 requirements for eligible properties must be specified by  
128 general law.

129 (f) A county may, in the manner prescribed by general law,  
130 provide for a reduction in the assessed value of homestead  
131 property to the extent of any increase in the assessed value of  
132 that property which results from the construction or  
133 reconstruction of the property for the purpose of providing  
134 living quarters for one or more natural or adoptive grandparents  
135 or parents of the owner of the property or of the owner's spouse  
136 if at least one of the grandparents or parents for whom the  
137 living quarters are provided is 62 years of age or older. Such a  
138 reduction may not exceed the lesser of the following:

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

141 (2) Twenty percent of the total assessed value of the  
142 property as improved.

143 (g) Except as provided in Section 19 of this Article, for  
144 all levies other than school district levies, assessments of  
145 residential real property, as defined by general law, which

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146 contains nine units or fewer and which is not subject to the  
147 assessment limitations set forth in subsections (a) through (d)  
148 shall change only as provided in this subsection.

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

153 (2) No assessment shall exceed just value.

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

159 (4) Changes, additions, reductions, or improvements to such  
160 property shall be assessed as provided for by general law;  
161 however, after the adjustment for any change, addition,  
162 reduction, or improvement, the property shall be assessed as  
163 provided in this subsection.

164 (h) Except as provided in Section 19 of this Article, for  
165 all levies other than school district levies, assessments of  
166 real property that is not subject to the assessment limitations  
167 set forth in subsections (a) through (d) and (g) shall change  
168 only as provided in this subsection.

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

173 (2) No assessment shall exceed just value.

174 (3) The legislature must provide that such property shall

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175 be assessed at just value as of the next assessment date after a  
176 qualifying improvement, as defined by general law, is made to  
177 such property. Thereafter, such property shall be assessed as  
178 provided in this subsection.

179 (4) The legislature may provide that such property shall be  
180 assessed at just value as of the next assessment date after a  
181 change of ownership or control, as defined by general law,  
182 including any change of ownership of the legal entity that owns  
183 the property. Thereafter, such property shall be assessed as  
184 provided in this subsection.

185 (5) Changes, additions, reductions, or improvements to such  
186 property shall be assessed as provided for by general law;  
187 however, after the adjustment for any change, addition,  
188 reduction, or improvement, the property shall be assessed as  
189 provided in this subsection.

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

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

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

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

199 a. Land used predominantly for commercial fishing purposes.

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

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

203 d. Water-dependent marine manufacturing facilities,

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204 commercial fishing facilities, and marine vessel construction  
205 and repair facilities and their support activities.

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

209 SECTION 6. Homestead exemptions.—

210 (a) Except as provided in Section 19 of this Article, every  
211 person who has the legal or equitable title to real estate and  
212 maintains thereon the permanent residence of the owner, or  
213 another legally or naturally dependent upon the owner, shall be  
214 exempt from taxation thereon, except assessments for special  
215 benefits, up to the assessed valuation of twenty-five thousand  
216 dollars and, for all levies other than school district levies,  
217 on the assessed valuation greater than fifty thousand dollars  
218 and up to seventy-five thousand dollars, upon establishment of  
219 right thereto in the manner prescribed by law. The real estate  
220 may be held by legal or equitable title, by the entirety,  
221 jointly, in common, as a condominium, or indirectly by stock  
222 ownership or membership representing the owner's or member's  
223 proprietary interest in a corporation owning a fee or a  
224 leasehold initially in excess of ninety-eight years. The  
225 exemption shall not apply with respect to any assessment roll  
226 until such roll is first determined to be in compliance with the  
227 provisions of section 4 by a state agency designated by general  
228 law. This exemption is repealed on the effective date of any  
229 amendment to this Article which provides for the assessment of  
230 homestead property at less than just value.

231 (b) Not more than one exemption shall be allowed any  
232 individual or family unit or with respect to any residential



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233 unit. No exemption shall exceed the value of the real estate  
234 assessable to the owner or, in case of ownership through stock  
235 or membership in a corporation, the value of the proportion  
236 which the interest in the corporation bears to the assessed  
237 value of the property.

238 (c) By general law and subject to conditions specified  
239 therein, the Legislature may provide to renters, who are  
240 permanent residents, ad valorem tax relief on all ad valorem tax  
241 levies. Such ad valorem tax relief shall be in the form and  
242 amount established by general law.

243 (d) Except as provided in Section 19 of this Article, the  
244 legislature may, by general law, allow counties or  
245 municipalities, for the purpose of their respective tax levies  
246 and subject to the provisions of general law, to grant an  
247 additional homestead tax exemption not exceeding fifty thousand  
248 dollars to any person who has the legal or equitable title to  
249 real estate and maintains thereon the permanent residence of the  
250 owner and who has attained age sixty-five and whose household  
251 income, as defined by general law, does not exceed twenty  
252 thousand dollars. The general law must allow counties and  
253 municipalities to grant this additional exemption, within the  
254 limits prescribed in this subsection, by ordinance adopted in  
255 the manner prescribed by general law, and must provide for the  
256 periodic adjustment of the income limitation prescribed in this  
257 subsection for changes in the cost of living.

258 (e) Except as provided in Section 19 of this Article, each  
259 veteran who is age 65 or older who is partially or totally  
260 permanently disabled shall receive a discount from the amount of  
261 the ad valorem tax otherwise owed on homestead property the

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262 veteran owns and resides in if the disability was combat  
263 related, the veteran was a resident of this state at the time of  
264 entering the military service of the United States, and the  
265 veteran was honorably discharged upon separation from military  
266 service. The discount shall be in a percentage equal to the  
267 percentage of the veteran's permanent, service-connected  
268 disability as determined by the United States Department of  
269 Veterans Affairs. To qualify for the discount granted by this  
270 subsection, an applicant must submit to the county property  
271 appraiser, by March 1, proof of residency at the time of  
272 entering military service, an official letter from the United  
273 States Department of Veterans Affairs stating the percentage of  
274 the veteran's service-connected disability and such evidence  
275 that reasonably identifies the disability as combat related, and  
276 a copy of the veteran's honorable discharge. If the property  
277 appraiser denies the request for a discount, the appraiser must  
278 notify the applicant in writing of the reasons for the denial,  
279 and the veteran may reapply. The Legislature may, by general  
280 law, waive the annual application requirement in subsequent  
281 years. This subsection shall take effect December 7, 2006, is  
282 self-executing, and does not require implementing legislation.

283 SECTION 19. Alternative homestead property assessment;  
284 taxation; exemption; future revision limitation.-

285 (a) All persons entitled to a homestead exemption under  
286 this section shall have their homestead assessed at just value  
287 as of January 1 of the year following the effective date of this  
288 section. This assessment shall be changed each year by the  
289 percentage change in the market value of the property from the  
290 prior year, provided that any increase in the assessment shall

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291 not exceed the lower of three percent (3%) of the assessment for  
292 the prior year or the percent change in the Consumer Price Index  
293 for all urban consumers, U.S. City Average, all items 1967=100,  
294 or successor reports for the preceding calendar year as  
295 initially reported by the United States Department of Labor,  
296 Bureau of Labor Statistics.

297 (b) Under this section, homestead property shall be taxed  
298 at the rate of one and one-half percent (1.5%) of the just value  
299 of the property.

300 (c) Every person who has the legal or equitable title to  
301 real estate and maintains thereon the permanent residence of the  
302 owner, or another legally or naturally dependent upon the owner,  
303 shall be exempt from taxation thereon, except assessments for  
304 special benefits, up to the assessed valuation of the median  
305 value of single-family homes for the prior year in the county in  
306 which the homestead is located. The owner of a homestead who is  
307 65 years of age or older and whose income does not exceed 80  
308 percent of the median family income for the county shall be  
309 entitled to an additional exemption equal to the amount of the  
310 exemption provided in this subsection.

311 (d) The provisions of this section shall apply only to the  
312 owner of homestead property and the homestead if the owner makes  
313 an irrevocable election to have this section apply instead of  
314 Sections 2, 4, and 6 of this Article.

315 (e) By general law, the legislature shall provide  
316 regulations to implement and enforce this section.

317 (f) Notwithstanding any other provision of Article XI, any  
318 revision to the provisions of this section may be made only by  
319 initiative filed as provided in Section 3 of Article XI and

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320 submitted to the voters in a general election.

321 ARTICLE XII

322 SCHEDULE

323 SECTION 31. Transitional assessments of homestead property;  
324 effective date.-

325 (a) Each person entitled to a homestead exemption under  
326 Section 6 of Article VII on the effective date of this section  
327 shall continue to have the person's current homestead assessed  
328 under Section 4(c) of Article VII until the person makes an  
329 irrevocable election to have the person's homestead assessed  
330 under Section 19 of Article VII. After an irrevocable election  
331 is made, the homestead will continue to be assessed under  
332 Section 4(c) of Article VII until December 31 of the year in  
333 which the election is made and thereafter may not be assessed  
334 under Section 4(c) of Article VII. Beginning January 1 of the  
335 year following such election, the homestead shall be assessed  
336 and taxed as provided by Section 19 of Article VII. By general  
337 law and subject to conditions specified therein, the legislature  
338 shall provide procedures for persons to make the election.

339 (b) The amendments to Sections 2, 4, and 6 and the creation  
340 of Section 19 of Article VII, providing an alternative  
341 methodology for changing assessments of homestead property,  
342 providing for taxing homestead property at 1.5 percent of the  
343 just value, and providing a homestead exemption equal to the  
344 median value of single-family homes in the county in which the  
345 homestead is located and a double homestead exemption for low-  
346 income property owners 65 years of age or older, and limiting  
347 revisions to a citizen's initiative, and this section, providing  
348 for transitional assessments of homestead property, if submitted

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349 to the electors of this state for approval or rejection at a  
350 special election authorized by law to be held in 2010 or at the  
351 2010 general election, shall take effect upon approval by the  
352 electors and shall operate retroactively to January 1, 2010.

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

355 CONSTITUTIONAL AMENDMENT

356 ARTICLE VII, SECTIONS 2, 4, 6, 19

357 ARTICLE XII, SECTION 31

358 ALTERNATIVE HOMESTEAD PROPERTY ASSESSMENT, TAXATION,  
359 EXEMPTION.—Proposing changes to the State Constitution relating  
360 to ad valorem taxation as follows:

361 1.a. Provides for changing the assessment of homestead  
362 property each year by the percentage change in the market value  
363 of the property from the prior year and limiting increases in  
364 assessments to the lower of 3 percent or the percentage change  
365 in the Consumer Price Index.

366 b. Provides for taxing homestead property at 1.5 percent of  
367 the just value of the property.

368 c. Provides for a homestead exemption equal to the median  
369 value of single-family homes in the county in which the  
370 homestead is located and a double exemption for homestead owners  
371 65 years of age or older with an income not exceeding 80 percent  
372 of the median family income for the county.

373 2. Preserves the existing assessment, taxation, and  
374 exemption of homestead property but provides for an irrevocable  
375 election by the homestead owner to apply the provisions of the  
376 amendments to the homestead property.

377 3. Limits revising the provisions of the amendment to

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378 citizen's initiative.

379       4. Schedules the changes to take effect upon approval by  
380 the voters and operate retroactively to January 1, 2010, if  
381 approved in a special election held in 2010 or in the general  
382 election held in November of 2010.