

House Joint Resolution

A joint resolution proposing an amendment to Sections 4 and 6 of Article VII and the creation of Sections 31 and 32 of Article XII of the State Constitution to reduce from 10 percent to 5 percent the limitation on annual assessment increases applicable to nonhomestead real property, provide an additional homestead exemption for new owners of homestead property and application and limitations with respect thereto, and provide an effective date.

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

That the following amendments to Sections 4 and 6 of Article VII and the creation of Sections 31 and 32 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 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.

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

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

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

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

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

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

53 (2) No assessment shall exceed just value.

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

CS/HJR 655

2010

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

59 (4) New homestead property shall be assessed at just value
60 as of January 1 ~~1st~~ of the year following the establishment of
61 the homestead, unless the provisions of paragraph (8) apply.
62 That assessment shall only change as provided in this
63 subsection.

64 (5) Changes, additions, reductions, or improvements to
65 homestead property shall be assessed as provided for by general
66 law; provided, however, after the adjustment for any change,
67 addition, reduction, or improvement, the property shall be
68 assessed as provided in this subsection.

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

71 (7) The provisions of this amendment are severable. If any
72 of the provisions of this amendment shall be held
73 unconstitutional by any court of competent jurisdiction, the
74 decision of such court shall not affect or impair any remaining
75 provisions of this amendment.

76 (8)a. A person who establishes a new homestead as of
77 January 1, 2009, or January 1 of any subsequent year and who has
78 received a homestead exemption pursuant to Section 6 of this
79 Article as of January 1 of either of the 2 ~~two~~ years immediately
80 preceding the establishment of the new homestead is entitled to
81 have the new homestead assessed at less than just value. If this
82 revision is approved in January of 2008, a person who
83 establishes a new homestead as of January 1, 2008, is entitled
84 to have the new homestead assessed at less than just value only

CS/HJR 655

2010

85 | if that person received a homestead exemption on January 1,
86 | 2007. The assessed value of the newly established homestead
87 | shall be determined as follows:

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

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

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

CS/HJR 655

2010

113 (e) The legislature may, by general law, for assessment
114 purposes and subject to the provisions of this subsection, allow
115 counties and municipalities to authorize by ordinance that
116 historic property may be assessed solely on the basis of
117 character or use. Such character or use assessment shall apply
118 only to the jurisdiction adopting the ordinance. The
119 requirements for eligible properties must be specified by
120 general law.

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

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

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

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

140 (1) Assessments subject to this subsection shall be
 141 changed annually on the date of assessment provided by law; but
 142 those changes in assessments shall not exceed 5 ~~ten~~ percent
 143 ~~(10%)~~ of the assessment for the prior year.

144 (2) No assessment shall exceed just value.

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

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

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

159 (1) Assessments subject to this subsection shall be
 160 changed annually on the date of assessment provided by law; but
 161 those changes in assessments shall not exceed 5 ~~ten~~ percent
 162 ~~(10%)~~ of the assessment for the prior year.

163 (2) No assessment shall exceed just value.

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

167 such property. Thereafter, such property shall be assessed as
 168 provided in this subsection.

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

175 (5) Changes, additions, reductions, or improvements to
 176 such property shall be assessed as provided for by general law;
 177 however, after the adjustment for any change, addition,
 178 reduction, or improvement, the property shall be assessed as
 179 provided in this subsection.

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

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

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

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

189 a. Land used predominantly for commercial fishing
 190 purposes.

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

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

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

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

200 SECTION 6. Homestead exemptions.—

201 (a) Every person who has the legal or equitable title to
 202 real estate and maintains thereon the permanent residence of the
 203 owner, or another legally or naturally dependent upon the owner,
 204 shall be exempt from taxation thereon, except assessments for
 205 special benefits, up to the assessed valuation of \$25,000
 206 ~~twenty-five thousand dollars~~ and, for all levies other than
 207 school district levies, on the assessed valuation greater than
 208 \$50,000 ~~fifty thousand dollars~~ and up to \$75,000 ~~seventy-five~~
 209 ~~thousand dollars~~, upon establishment of right thereto in the
 210 manner prescribed by law. The real estate may be held by legal
 211 or equitable title, by the entirety, jointly, in common, as a
 212 condominium, or indirectly by stock ownership or membership
 213 representing the owner's or member's proprietary interest in a
 214 corporation owning a fee or a leasehold initially in excess of
 215 98 ~~ninety-eight~~ years. The exemption shall not apply with
 216 respect to any assessment roll until such roll is first
 217 determined to be in compliance with the provisions of Section 4
 218 of this Article by a state agency designated by general law.
 219 This exemption is repealed on the effective date of any
 220 amendment to this Article which provides for the assessment of
 221 homestead property at less than just value.

222 (b) Not more than one exemption shall be allowed any
223 individual or family unit or with respect to any residential
224 unit. No exemption shall exceed the value of the real estate
225 assessable to the owner or, in case of ownership through stock
226 or membership in a corporation, the value of the proportion
227 which the interest in the corporation bears to the assessed
228 value of the property.

229 (c) By general law and subject to conditions specified
230 therein, the legislature may provide to renters, who are
231 permanent residents, ad valorem tax relief on all ad valorem tax
232 levies. Such ad valorem tax relief shall be in the form and
233 amount established by general law.

234 (d) The legislature may, by general law, allow counties or
235 municipalities, for the purpose of their respective tax levies
236 and subject to the provisions of general law, to grant an
237 additional homestead tax exemption not exceeding \$50,000 ~~fifty~~
238 ~~thousand dollars~~ to any person who has the legal or equitable
239 title to real estate and maintains thereon the permanent
240 residence of the owner and who has attained age 65 ~~sixty-five~~
241 and whose household income, as defined by general law, does not
242 exceed \$20,000 ~~twenty thousand dollars~~. The general law must
243 allow counties and municipalities to grant this additional
244 exemption, within the limits prescribed in this subsection, by
245 ordinance adopted in the manner prescribed by general law, and
246 must provide for the periodic adjustment of the income
247 limitation prescribed in this subsection for changes in the cost
248 of living.

249 (e) Each veteran who is age 65 or older who is partially

CS/HJR 655

2010

250 or totally permanently disabled shall receive a discount from
251 the amount of the ad valorem tax otherwise owed on homestead
252 property the veteran owns and resides in if the disability was
253 combat related, the veteran was a resident of this state at the
254 time of entering the military service of the United States, and
255 the veteran was honorably discharged upon separation from
256 military service. The discount shall be in a percentage equal to
257 the percentage of the veteran's permanent, service-connected
258 disability as determined by the United States Department of
259 Veterans Affairs. To qualify for the discount granted by this
260 subsection, an applicant must submit to the county property
261 appraiser, by March 1, proof of residency at the time of
262 entering military service, an official letter from the United
263 States Department of Veterans Affairs stating the percentage of
264 the veteran's service-connected disability and such evidence
265 that reasonably identifies the disability as combat related, and
266 a copy of the veteran's honorable discharge. If the property
267 appraiser denies the request for a discount, the appraiser must
268 notify the applicant in writing of the reasons for the denial,
269 and the veteran may reapply. The legislature may, by general
270 law, waive the annual application requirement in subsequent
271 years. This subsection shall take effect December 7, 2006, is
272 self-executing, and does not require implementing legislation.

273 (f) As provided by general law and subject to conditions
274 specified therein, every person who establishes the right to
275 receive the homestead exemption provided in subsection (a)
276 within 1 year after purchasing the homestead property and who
277 has not owned property in the previous 3 years to which the

278 homestead exemption provided in subsection (a) applied is
 279 entitled to an additional homestead exemption in an amount equal
 280 to 50 percent of the homestead property's just value on January
 281 1 of the year the homestead is established for all levies other
 282 than school district levies. The additional exemption shall
 283 apply for a period of 5 years or until the year the property is
 284 sold, whichever occurs first. The amount of the additional
 285 exemption shall not exceed \$200,000 and shall be reduced in each
 286 subsequent year by an amount equal to 20 percent of the amount
 287 of the additional exemption received in the year the homestead
 288 was established or by an amount equal to the difference between
 289 the just value of the property and the assessed value of the
 290 property determined under Section 4(d) of this Article,
 291 whichever is greater. Not more than one exemption provided under
 292 this subsection shall be allowed per homestead property. The
 293 additional exemption shall apply to property purchased after
 294 January 1, 2010, but shall not be available in the sixth and
 295 subsequent years after the additional exemption is first
 296 received.

297 ARTICLE XII

298 SCHEDULE

299 SECTION 31. Property tax limit for nonhomestead property.—
 300 The amendment to Section 4 of Article VII reducing the limit on
 301 the maximum annual increase in the assessed value of
 302 nonhomestead property from 10 percent to 5 percent and this
 303 section shall take effect January 1, 2011.

304 SECTION 32. Additional homestead exemption for new owners
 305 of homestead property.—The amendment to Section 6 of Article VII

306 providing for an additional homestead exemption for new owners
 307 of homestead property who have not owned homestead property
 308 during the immediately preceding 3 years and this section shall
 309 take effect January 1, 2011, and shall be available for
 310 properties purchased on or after January 1, 2010.

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

313 CONSTITUTIONAL AMENDMENT

314 ARTICLE VII, SECTIONS 4, 6

315 ARTICLE XII, SECTIONS 31, 32

316 REDUCED NONHOMESTEAD PROPERTY ANNUAL ASSESSMENT INCREASE
 317 LIMITATION; ADDITIONAL HOMESTEAD EXEMPTION FOR NEW HOMESTEAD
 318 PROPERTY OWNERS.—

319 (1) This amendment reduces from 10 percent to 5 percent
 320 the limitation on annual increases in assessments of
 321 nonhomestead real property and provides an effective date of
 322 January 1, 2011.

323 (2) This amendment also provides new owners of homestead
 324 property who have not owned homestead property during the
 325 immediately preceding 3 years with an additional homestead
 326 exemption equal to 50 percent of the property's just value in
 327 the first year for all levies other than school district levies,
 328 limited to \$200,000; applies the additional exemption for the
 329 shorter of 5 years or the year of sale of the property; reduces
 330 the amount of the additional exemption in each succeeding year
 331 for 5 years by the greater of 20 percent of the amount of the
 332 initial additional exemption or the difference between the just
 333 value and the assessed value of the property; limits the

CS/HJR 655

2010

334 additional exemption to one per homestead property; limits the
335 additional exemption to properties purchased after January 1,
336 2010; prohibits availability of the additional exemption in the
337 sixth and subsequent years after the additional exemption is
338 granted; and provides for the amendment to take effect January
339 1, 2011, and apply to properties purchased on or after January
340 1, 2010.