

By Senator Diaz de la Portilla

36-00930-11

20111906__

Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to authorize counties and municipalities to freeze the assessed value of the homesteads of certain low-income senior citizens.

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.

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

36-00930-11

20111906__

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

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

37 (1) Except as provided in paragraph (2), assessments
38 subject to this subsection shall be changed annually on January
39 1 ~~1st~~ of each year; but those changes in assessments shall not
40 exceed the lower of the following:

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

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

47 (2) An assessment subject to the additional homestead tax
48 exemption under subsection 6(d) shall be changed annually on
49 January 1 of each year. However, a county or municipality may
50 choose to limit its assessment of the value of the property
51 subject to the additional exemption to the assessed value of the
52 property in the prior year if the just value of the property is
53 equal to or less than one hundred fifty percent of the average
54 just value of residential property within the county. The state
55 agency designated by law shall calculate the average just value
56 of residential property within each county and supply that
57 information to each property appraiser. The calculation shall be
58 based on the final tax roll of each county for the prior year.

36-00930-11

20111906__

59 (3)~~(2)~~ No assessment shall exceed just value.

60 (4)~~(3)~~ After any change of ownership, as provided by
61 general law, homestead property shall be assessed at just value
62 as of January 1 of the following year, unless the provisions of
63 paragraph (9) ~~(8)~~ apply. Thereafter, the homestead shall be
64 assessed as provided in this subsection.

65 (5)~~(4)~~ New homestead property shall be assessed at just
66 value as of January 1 ~~1st~~ of the year following the
67 establishment of the homestead, unless the provisions of
68 paragraph (9) ~~(8)~~ apply. That assessment shall ~~only~~ change only
69 as provided in this subsection.

70 (6)~~(5)~~ Changes, additions, reductions, or improvements to
71 homestead property shall be assessed as provided for by general
72 law; provided, however, after the adjustment for any change,
73 addition, reduction, or improvement, the property shall be
74 assessed as provided in this subsection.

75 (7)~~(6)~~ In the event of a termination of homestead status,
76 the property shall be assessed as provided by general law.

77 (8)~~(7)~~ The provisions of this amendment are severable. If
78 any of the provisions of this amendment shall be held
79 unconstitutional by any court of competent jurisdiction, the
80 decision of such court shall not affect or impair any remaining
81 provisions of this amendment.

82 (9)~~(8)~~a. A person who establishes a new homestead as of
83 January 1, 2009, or January 1 of any subsequent year and who has
84 received a homestead exemption pursuant to Section 6 of this
85 Article as of January 1 of either of the two years immediately
86 preceding the establishment of the new homestead is entitled to
87 have the new homestead assessed at less than just value. If this

36-00930-11

20111906__

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

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

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

116 b. By general law and subject to conditions specified

36-00930-11

20111906__

117 therein, the Legislature shall provide for application of this
118 paragraph to property owned by more than one person.

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

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

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

139 (2) Twenty percent of the total assessed value of the
140 property as improved.

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

36-00930-11

20111906__

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

150 (2) No assessment shall exceed just value.

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

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

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

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

169 (2) No assessment shall exceed just value.

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

36-00930-11

20111906__

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

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

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

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

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

193 (j)

194 (1) The assessment of the following working waterfront
195 properties shall be based upon the current use of the property:

196 a. Land used predominantly for commercial fishing purposes.

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

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

200 d. Water-dependent marine manufacturing facilities,
201 commercial fishing facilities, and marine vessel construction
202 and repair facilities and their support activities.

203 (2) The assessment benefit provided by this subsection is

36-00930-11

20111906__

204 subject to conditions and limitations and reasonable definitions
205 as specified by the legislature by general law.

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

208 CONSTITUTIONAL AMENDMENT

209 ARTICLE VII, SECTION 4

210 ASSESSMENT OF HOMESTEAD PROPERTY OWNED BY LOW-INCOME SENIOR
211 CITIZENS.—Currently, counties and municipalities may grant an
212 additional homestead exemption to a person who is 65 years of
213 age or older and who has a household income of \$20,000 or less.
214 This proposed amendment to the State Constitution authorizes
215 counties and municipalities to grant another ad valorem tax
216 benefit to those individuals. Specifically, the amendment
217 authorizes counties and municipalities to freeze the assessed
218 value of the homesteads of persons receiving the additional
219 exemption at the assessed value of the property in the previous
220 year if the just value of the property is equal to or less than
221 150 percent of the average just value of residential property in
222 the county. As such, if authorized by a county or municipality,
223 these individuals will not be required to pay more ad valorem
224 taxes than they paid in the previous year as the result of an
225 increase in the value of their homesteads.