

House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to prohibit annual increases in the assessed value of homestead and nonhomestead property if the just value of the property decreases, limit annual assessment increases applicable to nonhomestead property to the lower of a specified percentage or the percentage change in the Consumer Price Index, and apply to school district levies the annual assessment increase limitations applicable to nonhomestead property.

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.

HJR 273

2011

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 1st of each year. ~~;~~ ~~but those changes~~
44 ~~in assessments~~

45 a. An increase in an assessment shall not exceed the lower
46 of the following:

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

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

54 b. An assessment shall not increase if the just value of
55 the property is less than the just value of the property on the
56 preceding January 1.

57 (2) No assessment shall exceed just value.

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

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

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

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

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

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

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

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

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

HJR 273

2011

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

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

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

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

136 (2) Twenty percent of the total assessed value of the
 137 property as improved.

138 (g) ~~For all levies other than school district levies,~~
 139 Assessments of residential real property, as defined by general
 140 law, which contains nine units or fewer and which is not subject

141 to the assessment limitations set forth in subsections (a)
 142 through (d) shall change only as provided in this subsection.

143 (1) Assessments subject to this subsection shall be
 144 changed annually on the date of assessment provided by law, ~~but~~
 145 ~~those changes in assessments~~

146 a. An increase in an assessment shall not exceed the lower
 147 of the following:

148 1. Three percent (3%) ~~ten percent (10%)~~ of the assessment
 149 for the prior year.

150 2. The percent change in the Consumer Price Index for all
 151 urban consumers, U.S. City Average, all items 1967=100, or
 152 successor reports for the preceding calendar year as initially
 153 reported by the United States Department of Labor, Bureau of
 154 Labor Statistics.

155 b. An assessment shall not increase if the just value of
 156 the property is less than the just value of the property on the
 157 preceding date of assessment provided by law.

158 (2) No assessment shall exceed just value.

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

164 (4) Changes, additions, reductions, or improvements to
 165 such property shall be assessed as provided for by general law;
 166 however, after the adjustment for any change, addition,
 167 reduction, or improvement, the property shall be assessed as
 168 provided in this subsection.

HJR 273

2011

169 (h) ~~For all levies other than school district levies,~~
 170 Assessments of real property that is not subject to the
 171 assessment limitations set forth in subsections (a) through (d)
 172 and (g) shall change only as provided in this subsection.

173 (1) Assessments subject to this subsection shall be
 174 changed annually on the date of assessment provided by law, ~~but~~
 175 ~~those changes in assessments~~

176 a. An increase in an assessment shall not exceed the lower
 177 of the following:

178 1. Three percent (3%) ~~ten percent (10%)~~ of the assessment
 179 for the prior year.

180 2. The percent change in the Consumer Price Index for all
 181 urban consumers, U.S. City Average, all items 1967=100, or
 182 successor reports for the preceding calendar year as initially
 183 reported by the United States Department of Labor, Bureau of
 184 Labor Statistics.

185 b. An assessment shall not increase if the just value of
 186 the property is less than the just value of the property on the
 187 preceding date of assessment provided by law.

188 (2) No assessment shall exceed just value.

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

194 (4) The legislature may provide that such property shall
 195 be assessed at just value as of the next assessment date after a
 196 change of ownership or control, as defined by general law,

HJR 273

2011

197 including any change of ownership of the legal entity that owns
 198 the property. Thereafter, such property shall be assessed as
 199 provided in this subsection.

200 (5) Changes, additions, reductions, or improvements to
 201 such property shall be assessed as provided for by general law;
 202 however, after the adjustment for any change, addition,
 203 reduction, or improvement, the property shall be assessed as
 204 provided in this subsection.

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

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

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

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

214 a. Land used predominantly for commercial fishing
 215 purposes.

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

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

219 d. Water-dependent marine manufacturing facilities,
 220 commercial fishing facilities, and marine vessel construction
 221 and repair facilities and their support activities.

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

HJR 273

2011

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

227 CONSTITUTIONAL AMENDMENT

228 ARTICLE VII, SECTION 4

229 LIMITATIONS ON ANNUAL ASSESSMENT INCREASES TO HOMESTEAD AND
 230 NONHOMESTEAD PROPERTY.—

231 (1) In certain circumstances, the law requires the
 232 assessed value of homestead and nonhomestead property to
 233 annually increase when the just value of the property decreases.
 234 To prevent that from happening, this amendment provides that the
 235 assessed value of homestead and nonhomestead property will not
 236 annually increase if the just value of that property decreases.

237 (2) The amendment also reduces the limitation on annual
 238 increases in assessments of nonhomestead real property from a
 239 current limitation of 10 percent to a limitation of the lower of
 240 3 percent or the percentage change in the Consumer Price Index.

241 (3) In addition, the amendment applies to school district
 242 levies the annual assessment increase limitations applicable to
 243 nonhomestead property.