

House Joint Resolution

A joint resolution proposing amendments to Sections 4 and 6 of Article VII and the creation of Sections 32 and 33 of Article XII of the State Constitution to reduce 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 effective dates.

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 32 and 33 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.

(b) As provided by general law and subject to conditions,

29 | limitations, and reasonable definitions specified therein, land
 30 | used for conservation purposes shall be classified by general
 31 | law and assessed solely on the basis of character or use.

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

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

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

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

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

52 | (2) No assessment shall exceed just value.

53 | (3) After any change of ownership, as provided by general
 54 | law, homestead property shall be assessed at just value as of
 55 | January 1 of the following year, unless the provisions of
 56 | paragraph (8) apply. Thereafter, the homestead shall be assessed

57 as provided in this subsection.

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

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

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

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

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

85 2007. The assessed value of the newly established homestead
 86 shall be determined as follows:

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

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

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

112 (e) The legislature may, by general law, for assessment

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

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

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

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

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

139 | (1) Assessments subject to this subsection shall be
 140 | changed annually on the date of assessment provided by law; but

141 those changes in assessments shall not exceed 3 ~~ten~~ percent
 142 ~~(10%)~~ of the assessment for the prior year.

143 (2) No assessment shall exceed just value.

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

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

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

158 (1) Assessments subject to this subsection shall be
 159 changed annually on the date of assessment provided by law; but
 160 those changes in assessments shall not exceed 3 ~~ten~~ percent
 161 ~~(10%)~~ of the assessment for the prior year.

162 (2) No assessment shall exceed just value.

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

168 (4) The legislature may provide that such property shall

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

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

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

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

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

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

188 | a. Land used predominantly for commercial fishing
 189 | purposes.

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

192 | c. Marinas and drystacks that are open to the public.

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

196 | (2) The assessment benefit provided by this subsection is

197 subject to conditions and limitations and reasonable definitions
 198 as specified by the legislature by general law.

199 SECTION 6. Homestead exemptions.—

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

221 (b) Not more than one exemption shall be allowed any
 222 individual or family unit or with respect to any residential
 223 unit. No exemption shall exceed the value of the real estate
 224 assessable to the owner or, in case of ownership through stock

225 or membership in a corporation, the value of the proportion
 226 which the interest in the corporation bears to the assessed
 227 value of the property.

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

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

248 (e) Each veteran who is age 65 or older who is partially
 249 or totally permanently disabled shall receive a discount from
 250 the amount of the ad valorem tax otherwise owed on homestead
 251 property the veteran owns and resides in if the disability was
 252 combat related, the veteran was a resident of this state at the

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

272 | (f) As provided by general law and subject to conditions
 273 | specified therein, every person who establishes the right to
 274 | receive the homestead exemption provided in subsection (a)
 275 | within 1 year after purchasing the homestead property and who
 276 | has not owned property in the previous 3 years to which the
 277 | homestead exemption provided in subsection (a) applied is
 278 | entitled to an additional homestead exemption in an amount equal
 279 | to 50 percent of the homestead property's just value on January
 280 | 1 of the year the homestead is established for all levies other

281 than school district levies. The additional exemption shall
 282 apply for a period of 5 years or until the year the property is
 283 sold, whichever occurs first. The amount of the additional
 284 exemption shall not exceed \$200,000 and shall be reduced in each
 285 subsequent year by an amount equal to 20 percent of the amount
 286 of the additional exemption received in the year the homestead
 287 was established or by an amount equal to the difference between
 288 the just value of the property and the assessed value of the
 289 property determined under Section 4(d), whichever is greater.
 290 Not more than one exemption provided under this subsection shall
 291 be allowed per homestead property. The additional exemption
 292 shall apply to property purchased on or after January 1, 2011,
 293 but shall not be available in the sixth and subsequent years
 294 after the additional exemption is first received.

295 ARTICLE XII

296 SCHEDULE

297 SECTION 32. Property tax limit for nonhomestead property.-
 298 This section and the amendment to Section 4 of Article VII
 299 reducing the limit on the maximum annual increase in the
 300 assessed value of nonhomestead property from 10 percent to 3
 301 percent shall take effect January 1, 2012.

302 SECTION 33. Additional homestead exemption for new owners
 303 of homestead property.-This section and the amendment to Section
 304 6 of Article VII providing for an additional homestead exemption
 305 for new owners of homestead property who have not owned
 306 homestead property during the immediately preceding 3 years
 307 shall take effect January 1, 2012, and the additional homestead
 308 exemption shall be available for properties purchased on or

309 after January 1, 2011.

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

312 CONSTITUTIONAL AMENDMENT

313 ARTICLE VII, SECTIONS 4, 6

314 ARTICLE XII, SECTIONS 32, 33

315 PROPERTY ASSESSMENT; NONHOMESTEAD INCREASE LIMITATION
 316 REDUCTION; NEW HOMESTEAD OWNERS' ADDITIONAL EXEMPTION.—

317 (1) This amendment reduces from 10 percent to 3 percent
 318 the limitation on annual increases in assessments of
 319 nonhomestead real property and provides an effective date of
 320 January 1, 2012.

321 (2) This amendment also provides new owners of homestead
 322 property who have not owned homestead property during the
 323 immediately preceding 3 years with an additional homestead
 324 exemption equal to 50 percent of the property's just value in
 325 the first year for all levies other than school district levies,
 326 limited to \$200,000; applies the additional exemption for the
 327 shorter of 5 years or the year of sale of the property; reduces
 328 the amount of the additional exemption in each succeeding year
 329 for 5 years by the greater of 20 percent of the amount of the
 330 initial additional exemption or the difference between the just
 331 value and the assessed value of the property; limits the
 332 additional exemption to one per homestead property; limits the
 333 additional exemption to properties purchased on or after January
 334 1, 2011; prohibits availability of the additional exemption in
 335 the sixth and subsequent years after the additional exemption is
 336 granted; and provides for the amendment to take effect January

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337 | 1, 2012, and apply to properties purchased on or after January
338 | 1, 2011.