

House Joint Resolution

A joint resolution proposing amendments to Sections 4 and 6 of Article VII and Section 27 of Article XII and the creation of Sections 32 and 33 of Article XII of the State Constitution to allow the Legislature by general law to prohibit increases in the assessed value of homestead and specified nonhomestead property if the just value of the property decreases, reduce the limitation on annual assessment increases applicable to nonhomestead real property, provide an additional homestead exemption for owners of homestead property who have not owned homestead property for a specified time before purchase of the current homestead property, and application and limitations with respect thereto, delete a future repeal of provisions limiting annual assessment increases for specified nonhomestead real property, 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 Section 27 of Article XII 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

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

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

(1) Assessments subject to this subsection shall change ~~be changed~~ annually on January 1 ~~1st~~ of each year. ~~but those changes in assessments~~

a. A change in an assessment may ~~shall~~ not exceed the lower of the following:

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

57 | ~~2.b.~~ The percent change in the Consumer Price Index for
 58 | all urban consumers, U.S. City Average, all items 1967=100, or a
 59 | successor index reports for the preceding calendar year as
 60 | initially reported by the United States Department of Labor,
 61 | Bureau of Labor Statistics.

62 | b. The Legislature may provide by general law that except
 63 | for changes, additions, reductions, or improvements to homestead
 64 | property assessed as provided in subsection (d) (5), an
 65 | assessment may not increase if the just value of the property is
 66 | less than the just value of the property on the preceding
 67 | January 1.

68 | (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

69 | (3) After a ~~any~~ change of ownership, as provided by
 70 | general law, homestead property shall be assessed at just value
 71 | as of January 1 of the following year, unless the provisions of
 72 | paragraph (8) apply. Thereafter, the homestead shall be assessed
 73 | as provided in this subsection.

74 | (4) New homestead property shall be assessed at just value
 75 | as of January 1 ~~1st~~ of the year following the establishment of
 76 | the homestead, unless the provisions of paragraph (8) apply.
 77 | That assessment shall ~~only~~ change only as provided in this
 78 | subsection.

79 | (5) Changes, additions, reductions, or improvements to
 80 | homestead property shall be assessed as provided for by general
 81 | law. ~~;~~ ~~provided,~~ However, after the adjustment for any change,
 82 | addition, reduction, or improvement, the property shall be
 83 | assessed as provided in this subsection.

84 | (6) In the event of a termination of homestead status, the

85 property shall be assessed as provided by general law.

86 (7) The provisions of this subsection ~~amendment~~ are
 87 severable. If a provision ~~any of the provisions~~ of this
 88 subsection is ~~amendment shall be~~ held unconstitutional by a ~~any~~
 89 court of competent jurisdiction, the decision of the ~~such~~ court
 90 does ~~shall~~ not affect or impair any remaining provisions of this
 91 subsection ~~amendment~~.

92 (8)a. A person who ~~establishes a new homestead as of~~
 93 ~~January 1, 2009, or January 1 of any subsequent year and who~~ has
 94 received a homestead exemption pursuant to Section 6 ~~of this~~
 95 ~~Article~~ as of January 1 of either of the 2 ~~two~~ years immediately
 96 preceding the establishment of a ~~the~~ new homestead is entitled
 97 to have the new homestead assessed at less than just value. ~~If~~
 98 ~~this revision is approved in January of 2008, a person who~~
 99 ~~establishes a new homestead as of January 1, 2008, is entitled~~
 100 ~~to have the new homestead assessed at less than just value only~~
 101 ~~if that person received a homestead exemption on January 1,~~
 102 ~~2007.~~ The assessed value of the newly established homestead
 103 shall be determined as follows:

104 1. If the just value of the new homestead is greater than
 105 or equal to the just value of the prior homestead as of January
 106 1 of the year in which the prior homestead was abandoned, the
 107 assessed value of the new homestead shall be the just value of
 108 the new homestead minus an amount equal to the lesser of
 109 \$500,000 or the difference between the just value and the
 110 assessed value of the prior homestead as of January 1 of the
 111 year in which the prior homestead was abandoned. Thereafter, the
 112 homestead shall be assessed as provided in this subsection.

113 2. If the just value of the new homestead is less than the
 114 just value of the prior homestead as of January 1 of the year in
 115 which the prior homestead was abandoned, the assessed value of
 116 the new homestead shall be equal to the just value of the new
 117 homestead divided by the just value of the prior homestead and
 118 multiplied by the assessed value of the prior homestead.
 119 However, if the difference between the just value of the new
 120 homestead and the assessed value of the new homestead calculated
 121 pursuant to this sub-subparagraph is greater than \$500,000, the
 122 assessed value of the new homestead shall be increased so that
 123 the difference between the just value and the assessed value
 124 equals \$500,000. Thereafter, the homestead shall be assessed as
 125 provided in this subsection.

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

129 (e) The legislature may, by general law, for assessment
 130 purposes and subject to the provisions of this subsection, allow
 131 counties and municipalities to authorize by ordinance that
 132 historic property may be assessed solely on the basis of
 133 character or use. Such character or use assessment shall apply
 134 only to the jurisdiction adopting the ordinance. The
 135 requirements for eligible properties must be specified by
 136 general law.

137 (f) A county may, in the manner prescribed by general law,
 138 provide for a reduction in the assessed value of homestead
 139 property to the extent of any increase in the assessed value of
 140 that property which results from the construction or

141 reconstruction of the property for the purpose of providing
 142 living quarters for one or more natural or adoptive grandparents
 143 or parents of the owner of the property or of the owner's spouse
 144 if at least one of the grandparents or parents for whom the
 145 living quarters are provided is 62 years of age or older. Such a
 146 reduction may not exceed the lesser of the following:

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

149 (2) Twenty percent of the total assessed value of the
 150 property as improved.

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

156 (1) Assessments subject to this subsection shall be
 157 changed annually on the date of assessment provided by law.
 158 However, ~~but~~ those changes in assessments may ~~shall~~ not exceed
 159 3 ten percent (10%) of the assessment for the prior year. The
 160 Legislature may provide by general law that an assessment may
 161 not increase if the just value of the property is less than the
 162 just value of the property on the preceding date of assessment
 163 provided by law.

164 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

165 (3) After a change of ownership or control, as defined by
 166 general law, including any change of ownership of a legal entity
 167 that owns the property, such property shall be assessed at just
 168 value as of the next assessment date. Thereafter, such property

169 shall be assessed as provided in this subsection.

170 (4) Changes, additions, reductions, or improvements to
 171 such property shall be assessed as provided for by general law.~~+~~
 172 However, after the adjustment for any change, addition,
 173 reduction, or improvement, the property shall be assessed as
 174 provided in this subsection.

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

179 (1) Assessments subject to this subsection shall be
 180 changed annually on the date of assessment provided by law.
 181 However,~~+~~ but those changes in assessments may ~~shall~~ not exceed
 182 3 ten percent (10%) of the assessment for the prior year. The
 183 Legislature may provide by general law that an assessment may
 184 not increase if the just value of the property is less than the
 185 just value of the property on the preceding date of assessment
 186 provided by law.

187 (2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

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

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

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197 the property. Thereafter, such property shall be assessed as
 198 provided in this subsection.

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

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

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

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

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

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

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

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

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

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

224 SECTION 6. Homestead exemptions.—

225 (a) Every person who has the legal or equitable title to
 226 real estate and maintains thereon the permanent residence of the
 227 owner, or another legally or naturally dependent upon the owner,
 228 shall be exempt from taxation thereon, except assessments for
 229 special benefits, up to the assessed valuation of \$25,000
 230 ~~twenty-five thousand dollars~~ and, for all levies other than
 231 school district levies, on the assessed valuation greater than
 232 \$50,000 ~~fifty thousand dollars~~ and up to \$75,000 ~~seventy-five~~
 233 ~~thousand dollars~~, upon establishment of right thereto in the
 234 manner prescribed by law. The real estate may be held by legal
 235 or equitable title, by the entirety, jointly, in common, as a
 236 condominium, or indirectly by stock ownership or membership
 237 representing the owner's or member's proprietary interest in a
 238 corporation owning a fee or a leasehold initially in excess of
 239 98 ~~ninety-eight~~ years. The exemption shall not apply with
 240 respect to any assessment roll until such roll is first
 241 determined to be in compliance with the provisions of Section 4
 242 by a state agency designated by general law. This exemption is
 243 repealed on the effective date of any amendment to this Article
 244 which provides for the assessment of homestead property at less
 245 than just value.

246 (b) Not more than one exemption shall be allowed any
 247 individual or family unit or with respect to any residential
 248 unit. No exemption shall exceed the value of the real estate
 249 assessable to the owner or, in case of ownership through stock
 250 or membership in a corporation, the value of the proportion
 251 which the interest in the corporation bears to the assessed
 252 value of the property.

253 (c) By general law and subject to conditions specified
 254 therein, the legislature may provide to renters, who are
 255 permanent residents, ad valorem tax relief on all ad valorem tax
 256 levies. Such ad valorem tax relief shall be in the form and
 257 amount established by general law.

258 (d) The legislature may, by general law, allow counties or
 259 municipalities, for the purpose of their respective tax levies
 260 and subject to the provisions of general law, to grant an
 261 additional homestead tax exemption not exceeding \$50,000 ~~fifty~~
 262 ~~thousand dollars~~ to any person who has the legal or equitable
 263 title to real estate and maintains thereon the permanent
 264 residence of the owner and who has attained age 65 ~~sixty-five~~
 265 and whose household income, as defined by general law, does not
 266 exceed \$20,000 ~~twenty thousand dollars~~. The general law must
 267 allow counties and municipalities to grant this additional
 268 exemption, within the limits prescribed in this subsection, by
 269 ordinance adopted in the manner prescribed by general law, and
 270 must provide for the periodic adjustment of the income
 271 limitation prescribed in this subsection for changes in the cost
 272 of living.

273 (e) Each veteran who is age 65 or older who is partially
 274 or totally permanently disabled shall receive a discount from
 275 the amount of the ad valorem tax otherwise owed on homestead
 276 property the veteran owns and resides in if the disability was
 277 combat related, the veteran was a resident of this state at the
 278 time of entering the military service of the United States, and
 279 the veteran was honorably discharged upon separation from
 280 military service. The discount shall be in a percentage equal to

281 the percentage of the veteran's permanent, service-connected
 282 disability as determined by the United States Department of
 283 Veterans Affairs. To qualify for the discount granted by this
 284 subsection, an applicant must submit to the county property
 285 appraiser, by March 1, proof of residency at the time of
 286 entering military service, an official letter from the United
 287 States Department of Veterans Affairs stating the percentage of
 288 the veteran's service-connected disability and such evidence
 289 that reasonably identifies the disability as combat related, and
 290 a copy of the veteran's honorable discharge. If the property
 291 appraiser denies the request for a discount, the appraiser must
 292 notify the applicant in writing of the reasons for the denial,
 293 and the veteran may reapply. The legislature may, by general
 294 law, waive the annual application requirement in subsequent
 295 years. This subsection shall take effect December 7, 2006, is
 296 self-executing, and does not require implementing legislation.

297 (f) As provided by general law and subject to conditions
 298 specified therein, every person who establishes the right to
 299 receive the homestead exemption provided in subsection (a)
 300 within 1 year after purchasing the homestead property and who
 301 has not owned property in the previous 3 calendar years to which
 302 the homestead exemption provided in subsection (a) applied is
 303 entitled to an additional homestead exemption in an amount equal
 304 to 50 percent of the homestead property's just value on January
 305 1 of the year the homestead is established for all levies other
 306 than school district levies. The additional exemption shall
 307 apply for a period of 5 years or until the year the property is
 308 sold, whichever occurs first. The amount of the additional

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309 exemption shall not exceed \$200,000 and shall be reduced in each
 310 subsequent year by an amount equal to 20 percent of the amount
 311 of the additional exemption received in the year the homestead
 312 was established or by an amount equal to the difference between
 313 the just value of the property and the assessed value of the
 314 property determined under Section 4(d), whichever is greater.
 315 Not more than one exemption provided under this subsection shall
 316 be allowed per homestead property. The additional exemption
 317 shall apply to property purchased on or after January 1, 2011,
 318 if this amendment is approved at a special election held on the
 319 date of the 2012 presidential preference primary, or on or after
 320 January 1, 2012, if approved at the 2012 general election, but
 321 shall not be available in the sixth and subsequent years after
 322 the additional exemption is first received.

ARTICLE XII

SCHEDULE

325 SECTION 27. Property tax exemptions and limitations on
 326 property tax assessments.—The amendments to Sections 3, 4, and 6
 327 of Article VII, providing a \$25,000 exemption for tangible
 328 personal property, providing an additional \$25,000 homestead
 329 exemption, authorizing transfer of the accrued benefit from the
 330 limitations on the assessment of homestead property, and this
 331 section, if submitted to the electors of this state for approval
 332 or rejection at a special election authorized by law to be held
 333 on January 29, 2008, shall take effect upon approval by the
 334 electors and shall operate retroactively to January 1, 2008, or,
 335 if submitted to the electors of this state for approval or
 336 rejection at the next general election, shall take effect

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337 January 1 of the year following such general election. The
 338 amendments to Section 4 of Article VII creating subsections (f)
 339 and (g) of that section, creating a limitation on annual
 340 assessment increases for specified real property, shall take
 341 effect upon approval of the electors and shall first limit
 342 assessments beginning January 1, 2009, if approved at a special
 343 election held on January 29, 2008, or shall first limit
 344 assessments beginning January 1, 2010, if approved at the
 345 general election held in November of 2008. ~~Subsections (f) and~~
 346 ~~(g) of Section 4 of Article VII are repealed effective January~~
 347 ~~1, 2019; however, the legislature shall by joint resolution~~
 348 ~~propose an amendment abrogating the repeal of subsections (f)~~
 349 ~~and (g), which shall be submitted to the electors of this state~~
 350 ~~for approval or rejection at the general election of 2018 and,~~
 351 ~~if approved, shall take effect January 1, 2019.~~

352 SECTION 32. Property assessments.—This section and the
 353 amendment of Section 4 of Article VII protecting homestead and
 354 specified nonhomestead property having a declining just value
 355 and reducing the limit on the maximum annual increase in the
 356 assessed value of nonhomestead property from 10 percent to 3
 357 percent, if submitted to the electors of this state for approval
 358 or rejection at a special election authorized by law to be held
 359 on the date of the 2012 presidential preference primary, shall
 360 take effect upon approval by the electors and shall operate
 361 retroactively to January 1, 2012, or, if submitted to the
 362 electors of this state for approval or rejection at the 2012
 363 general election, shall take effect January 1, 2013.

364 SECTION 33. Additional homestead exemption for owners of

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365 homestead property who recently have not owned homestead
 366 property.—This section and the amendment to Section 6 of Article
 367 VII providing for an additional homestead exemption for owners
 368 of homestead property who have not owned homestead property
 369 during the 3 calendar years immediately preceding purchase of
 370 the current homestead property, if submitted to the electors of
 371 this state for approval or rejection at a special election
 372 authorized by law to be held on the date of the 2012
 373 presidential preference primary, shall take effect upon approval
 374 by the electors and operate retroactively to January 1, 2012,
 375 and the additional homestead exemption shall be available for
 376 properties purchased on or after January 1, 2011, or if
 377 submitted to the electors of this state for approval or
 378 rejection at the 2012 general election, shall take effect
 379 January 1, 2013, and the additional homestead exemption shall be
 380 available for properties purchased on or after January 1, 2012.

381 BE IT FURTHER RESOLVED that the following statement be
 382 placed on the ballot:

383 CONSTITUTIONAL AMENDMENT

384 ARTICLE VII, SECTIONS 4, 6

385 ARTICLE XII, SECTIONS 27, 32, 33

386 PROPERTY ASSESSMENT; HOMESTEAD AND SPECIFIED NONHOMESTEAD
 387 VALUE DECLINE; NONHOMESTEAD INCREASE LIMITATION REDUCTION;
 388 ADDITIONAL HOMESTEAD EXEMPTION; SCHEDULED REPEAL DELETION.—

389 (1) In certain circumstances, the law requires the
 390 assessed value of homestead and specified nonhomestead property
 391 to increase when the just value of the property decreases.
 392 Therefore, this amendment provides that the Legislature may, by

393 general law, provide that the assessed value of homestead and
 394 specified nonhomestead property will not increase if the just
 395 value of that property decreases. This amendment takes effect
 396 upon approval by the voters, if approved at a special election
 397 held on the date of the 2012 presidential preference primary and
 398 operates retroactively to January 1, 2012, or, if approved by
 399 the voters at the general election, takes effect January 1,
 400 2013.

401 (2) This amendment reduces from 10 percent to 3 percent
 402 the limitation on annual increases in assessments of
 403 nonhomestead real property. This amendment takes effect upon
 404 approval of the voters, if approved at a special election held
 405 on the date of the 2012 presidential preference primary and
 406 operates retroactively to January 1, 2012, or, if approved by
 407 the voters at the general election, takes effect January 1,
 408 2013.

409 (3) This amendment also provides owners of homestead
 410 property who have not owned homestead property during the 3
 411 calendar years immediately preceding purchase of the current
 412 homestead property with an additional homestead exemption equal
 413 to 50 percent of the property's just value in the first year for
 414 all levies other than school district levies, limited to
 415 \$200,000; applies the additional exemption for the shorter of 5
 416 years or the year of sale of the property; reduces the amount of
 417 the additional exemption in each succeeding year for 5 years by
 418 the greater of 20 percent of the amount of the initial
 419 additional exemption or the difference between the just value
 420 and the assessed value of the property; limits the additional

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421 exemption to one per homestead property; limits the additional
422 exemption to properties purchased on or after January 1, 2011,
423 if approved by the voters at a special election held on the date
424 of the 2012 presidential preference primary, or on or after
425 January 1, 2012, if approved by the voters at the 2012 general
426 election; prohibits availability of the additional exemption in
427 the sixth and subsequent years after the additional exemption is
428 granted; and provides for the amendment to take effect upon
429 approval of the voters and operate retroactively to January 1,
430 2012, if approved at the special election held on the date of
431 the 2012 presidential preference primary, or on January 1, 2013,
432 if approved by the voters at the 2012 general election.

433 (4) This amendment also removes from the State
434 Constitution a repeal, scheduled to take effect in 2019, of
435 constitutional amendments adopted in 2008 that limit annual
436 assessment increases for specified nonhomestead real property.