

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 paragraph (5), an assessment
 65 | may not increase if the just value of the property is less than
 66 | the just value of the property on the preceding January 1.

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

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

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

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

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

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

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

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

112 2. If the just value of the new homestead is less than the

113 just value of the prior homestead as of January 1 of the year in
 114 which the prior homestead was abandoned, the assessed value of
 115 the new homestead shall be equal to the just value of the new
 116 homestead divided by the just value of the prior homestead and
 117 multiplied by the assessed value of the prior homestead.

118 However, if the difference between the just value of the new
 119 homestead and the assessed value of the new homestead calculated
 120 pursuant to this sub-subparagraph is greater than \$500,000, the
 121 assessed value of the new homestead shall be increased so that
 122 the difference between the just value and the assessed value
 123 equals \$500,000. Thereafter, the homestead shall be assessed as
 124 provided in this subsection.

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

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

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

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

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

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

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

155 (1) Assessments subject to this subsection shall be
 156 changed annually on the date of assessment provided by law.
 157 However, ~~but~~ those changes in assessments may ~~shall~~ not exceed
 158 3 ten percent (10%) of the assessment for the prior year. The
 159 Legislature may provide by general law that, except for changes,
 160 additions, reductions, or improvements to property assessed as
 161 provided in paragraph (4), an assessment may not increase if the
 162 just value of the property is less than the just value of the
 163 property on the preceding date of assessment 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, except for changes,
 184 additions, reductions, or improvements to property assessed as
 185 provided in paragraph (5), an assessment may not increase if the
 186 just value of the property is less than the just value of the
 187 property on the preceding date of assessment provided by law.

188 (2) An ~~No~~ assessment may not ~~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,

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.

225 SECTION 6. Homestead exemptions.—

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

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

253 value of the property.

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

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

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

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

298 (f) As provided by general law and subject to conditions
 299 specified therein, every person who establishes the right to
 300 receive the homestead exemption provided in subsection (a)
 301 within 1 year after purchasing the homestead property and who
 302 has not owned property in the previous 3 calendar years to which
 303 the homestead exemption provided in subsection (a) applied is
 304 entitled to an additional homestead exemption in an amount equal
 305 to 50 percent of the median just value for homestead property in
 306 the county where the property at issue is located in the
 307 calendar year immediately preceding January 1 of the year the
 308 homestead is established for all levies other than school

309 district levies. The additional exemption shall apply for a
 310 period of 5 years or until the year the property is sold,
 311 whichever occurs first. The amount of the additional exemption
 312 shall be reduced in each subsequent year by an amount equal to
 313 20 percent of the amount of the additional exemption received in
 314 the year the homestead was established or by an amount equal to
 315 the difference between the just value of the property and the
 316 assessed value of the property determined under Section 4(d),
 317 whichever is greater. Not more than one exemption provided under
 318 this subsection shall be allowed per homestead property. The
 319 additional exemption shall apply to property purchased on or
 320 after January 1, 2011, if this amendment is approved at a
 321 special election held on the date of the 2012 presidential
 322 preference primary, or on or after January 1, 2012, if approved
 323 at the 2012 general election, but shall not be available in the
 324 sixth and subsequent years after the additional exemption is
 325 first received.

ARTICLE XII

SCHEDULE

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

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

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

365 electors of this state for approval or rejection at the 2012
 366 general election, shall take effect January 1, 2013.

367 SECTION 33. Additional homestead exemption for owners of
 368 homestead property who recently have not owned homestead
 369 property.—This section and the amendment to Section 6 of Article
 370 VII providing for an additional homestead exemption for owners
 371 of homestead property who have not owned homestead property
 372 during the 3 calendar years immediately preceding purchase of
 373 the current homestead property, if submitted to the electors of
 374 this state for approval or rejection at a special election
 375 authorized by law to be held on the date of the 2012
 376 presidential preference primary, shall take effect upon approval
 377 by the electors and operate retroactively to January 1, 2012,
 378 and the additional homestead exemption shall be available for
 379 properties purchased on or after January 1, 2011, or if
 380 submitted to the electors of this state for approval or
 381 rejection at the 2012 general election, shall take effect
 382 January 1, 2013, and the additional homestead exemption shall be
 383 available for properties purchased on or after January 1, 2012.

384 BE IT FURTHER RESOLVED that the following statement be
 385 placed on the ballot:

386 CONSTITUTIONAL AMENDMENT

387 ARTICLE VII, SECTIONS 4, 6

388 ARTICLE XII, SECTIONS 27, 32, 33

389 ADDITIONAL HOMESTEAD EXEMPTION; PROPERTY VALUE DECLINE;
 390 REDUCTION FOR NONHOMESTEAD ASSESSMENT INCREASES; ABROGATION OF
 391 SCHEDULED REPEAL.—

392 (1) In certain circumstances, the law requires the

393 assessed value of homestead and specified nonhomestead property
 394 to increase when the just value of the property decreases.
 395 Therefore, this amendment provides that the Legislature may, by
 396 general law, provide that the assessed value of homestead and
 397 specified nonhomestead property will not increase if the just
 398 value of that property decreases, subject to any adjustment in
 399 assessed value due to changes, additions, reductions, or
 400 improvements to such property which are assessed as provided for
 401 by general law. This amendment takes effect upon approval by the
 402 voters, if approved at a special election held on the date of
 403 the 2012 presidential preference primary and operates
 404 retroactively to January 1, 2012, or, if approved by the voters
 405 at the general election, takes effect January 1, 2013.

406 (2) This amendment reduces from 10 percent to 3 percent
 407 the limitation on annual increases in assessments of
 408 nonhomestead real property. This amendment takes effect upon
 409 approval of the voters, if approved at a special election held
 410 on the date of the 2012 presidential preference primary and
 411 operates retroactively to January 1, 2012, or, if approved by
 412 the voters at the general election, takes effect January 1,
 413 2013.

414 (3) This amendment also provides owners of homestead
 415 property who have not owned homestead property during the 3
 416 calendar years immediately preceding purchase of the current
 417 homestead property with an additional homestead exemption equal
 418 to 50 percent of the median just value for homestead property in
 419 the county where the property at issue is located in the
 420 calendar year immediately preceding the first year of the

421 additional exemption, for all levies other than school district
 422 levies; applies the additional exemption for the shorter of 5
 423 years or the year of sale of the property; reduces the amount of
 424 the additional exemption in each succeeding year for 5 years by
 425 the greater of 20 percent of the amount of the initial
 426 additional exemption or the difference between the just value
 427 and the assessed value of the property; limits the additional
 428 exemption to one per homestead property; limits the additional
 429 exemption to properties purchased on or after January 1, 2011,
 430 if approved by the voters at a special election held on the date
 431 of the 2012 presidential preference primary, or on or after
 432 January 1, 2012, if approved by the voters at the 2012 general
 433 election; prohibits availability of the additional exemption in
 434 the sixth and subsequent years after the additional exemption is
 435 granted; and provides for the amendment to take effect upon
 436 approval of the voters and operate retroactively to January 1,
 437 2012, if approved at the special election held on the date of
 438 the 2012 presidential preference primary, or on January 1, 2013,
 439 if approved by the voters at the 2012 general election.

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