

By Senator Bennett

21-00370-11

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Senate Joint Resolution

A joint resolution proposing an amendment to Sections 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution, relating to the property tax exemption for a renewable energy source device and the property on which the device is installed and operated.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Sections 3 and 4 of Article VII and the creation of a new section in 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 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods

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30 and personal effects to the value fixed by general law, not less
31 than one thousand dollars, and to every widow or widower or
32 person who is blind or totally and permanently disabled,
33 property to the value fixed by general law not less than five
34 hundred dollars.

35 (c) Any county or municipality may, for the purpose of its
36 respective tax levy and subject to the provisions of this
37 subsection and general law, grant community and economic
38 development ad valorem tax exemptions to new businesses and
39 expansions of existing businesses, as defined by general law.
40 Such an exemption may be granted only by ordinance of the county
41 or municipality, and only after the electors of the county or
42 municipality voting on such question in a referendum authorize
43 the county or municipality to adopt such ordinances. An
44 exemption so granted shall apply to improvements to real
45 property made by or for the use of a new business and
46 improvements to real property related to the expansion of an
47 existing business and shall also apply to tangible personal
48 property of such new business and tangible personal property
49 related to the expansion of an existing business. The amount or
50 limits of the amount of such exemption shall be specified by
51 general law. The period of time for which such exemption may be
52 granted to a new business or expansion of an existing business
53 shall be determined by general law. The authority to grant such
54 exemption shall expire ten years from the date of approval by
55 the electors of the county or municipality, and may be renewable
56 by referendum as provided by general law.

57 (d) By general law and subject to conditions specified in
58 that law, the legislature may grant an ad valorem tax exemption

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59 to a renewable energy source device and to the real property on
60 which the device is installed and operated. The value of the
61 exemption shall be fixed by general law and may not exceed the
62 original cost of the device. The duration of the exemption as
63 applied to any device and real property shall be fixed by
64 general law and may not exceed ten years.

65 (e)~~(d)~~ Any county or municipality may, for the purpose of
66 its respective tax levy and subject to the provisions of this
67 subsection and general law, grant historic preservation ad
68 valorem tax exemptions to owners of historic properties. This
69 exemption may be granted only by ordinance of the county or
70 municipality. The amount or limits of the amount of this
71 exemption and the requirements for eligible properties must be
72 specified by general law. The period of time for which this
73 exemption may be granted to a property owner shall be determined
74 by general law.

75 (f)~~(e)~~ By general law and subject to conditions specified
76 therein, twenty-five thousand dollars of the assessed value of
77 property subject to tangible personal property tax shall be
78 exempt from ad valorem taxation.

79 (g)~~(f)~~ There shall be granted an ad valorem tax exemption
80 for real property dedicated in perpetuity for conservation
81 purposes, including real property encumbered by perpetual
82 conservation easements or by other perpetual conservation
83 protections, as defined by general law.

84 (h)~~(g)~~ By general law and subject to the conditions
85 specified therein, each person who receives a homestead
86 exemption as provided in section 6 of this article; who was a
87 member of the United States military or military reserves, the

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88 United States Coast Guard or its reserves, or the Florida
89 National Guard; and who was deployed during the preceding
90 calendar year on active duty outside the continental United
91 States, Alaska, or Hawaii in support of military operations
92 designated by the legislature shall receive an additional
93 exemption equal to a percentage of the taxable value of his or
94 her homestead property. The applicable percentage shall be
95 calculated as the number of days during the preceding calendar
96 year the person was deployed on active duty outside the
97 continental United States, Alaska, or Hawaii in support of
98 military operations designated by the legislature divided by the
99 number of days in that year.

100 SECTION 4. Taxation; assessments.—By general law
101 regulations shall be prescribed which shall secure a just
102 valuation of all property for ad valorem taxation, provided:

103 (a) Agricultural land, land producing high water recharge
104 to Florida's aquifers, or land used exclusively for
105 noncommercial recreational purposes may be classified by general
106 law and assessed solely on the basis of character or use.

107 (b) As provided by general law and subject to conditions,
108 limitations, and reasonable definitions specified therein, land
109 used for conservation purposes shall be classified by general
110 law and assessed solely on the basis of character or use.

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

115 (d) All persons entitled to a homestead exemption under
116 Section 6 of this Article shall have their homestead assessed at

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117 just value as of January 1 of the year following the effective
118 date of this amendment. This assessment shall change only as
119 provided in this subsection.

120 (1) Assessments subject to this subsection shall be changed
121 annually on January 1st of each year; but those changes in
122 assessments shall not exceed the lower of the following:

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

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

129 (2) No assessment shall exceed just value.

130 (3) After any change of ownership, as provided by general
131 law, homestead property shall be assessed at just value as of
132 January 1 of the following year, unless the provisions of
133 paragraph (8) apply. Thereafter, the homestead shall be assessed
134 as provided in this subsection.

135 (4) New homestead property shall be assessed at just value
136 as of January 1st of the year following the establishment of the
137 homestead, unless the provisions of paragraph (8) apply. That
138 assessment shall ~~only~~ change only as provided in this
139 subsection.

140 (5) Changes, additions, reductions, or improvements to
141 homestead property shall be assessed as provided for by general
142 law; provided, however, after the adjustment for any change,
143 addition, reduction, or improvement, the property shall be
144 assessed as provided in this subsection.

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

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146 property shall be assessed as provided by general law.

147 (7) The provisions of this amendment are severable. If any
148 of the provisions of this amendment shall be held
149 unconstitutional by any court of competent jurisdiction, the
150 decision of such court shall not affect or impair any remaining
151 provisions of this amendment.

152 (8)a. A person who establishes a new homestead as of
153 January 1, 2009, or January 1 of any subsequent year and who has
154 received a homestead exemption pursuant to Section 6 of this
155 Article as of January 1 of either of the two years immediately
156 preceding the establishment of the new homestead is entitled to
157 have the new homestead assessed at less than just value. If this
158 revision is approved in January of 2008, a person who
159 establishes a new homestead as of January 1, 2008, is entitled
160 to have the new homestead assessed at less than just value only
161 if that person received a homestead exemption on January 1,
162 2007. The assessed value of the newly established homestead
163 shall be determined as follows:

164 1. If the just value of the new homestead is greater than
165 or equal to the just value of the prior homestead as of January
166 1 of the year in which the prior homestead was abandoned, the
167 assessed value of the new homestead shall be the just value of
168 the new homestead minus an amount equal to the lesser of
169 \$500,000 or the difference between the just value and the
170 assessed value of the prior homestead as of January 1 of the
171 year in which the prior homestead was abandoned. Thereafter, the
172 homestead shall be assessed as provided in this subsection.

173 2. If the just value of the new homestead is less than the
174 just value of the prior homestead as of January 1 of the year in

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175 which the prior homestead was abandoned, the assessed value of
176 the new homestead shall be equal to the just value of the new
177 homestead divided by the just value of the prior homestead and
178 multiplied by the assessed value of the prior homestead.
179 However, if the difference between the just value of the new
180 homestead and the assessed value of the new homestead calculated
181 pursuant to this sub-subparagraph is greater than \$500,000, the
182 assessed value of the new homestead shall be increased so that
183 the difference between the just value and the assessed value
184 equals \$500,000. Thereafter, the homestead shall be assessed as
185 provided in this subsection.

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

189 (e) The legislature may, by general law, for assessment
190 purposes and subject to the provisions of this subsection, allow
191 counties and municipalities to authorize by ordinance that
192 historic property may be assessed solely on the basis of
193 character or use. Such character or use assessment shall apply
194 only to the jurisdiction adopting the ordinance. The
195 requirements for eligible properties must be specified by
196 general law.

197 (f) A county may, in the manner prescribed by general law,
198 provide for a reduction in the assessed value of homestead
199 property to the extent of any increase in the assessed value of
200 that property which results from the construction or
201 reconstruction of the property for the purpose of providing
202 living quarters for one or more natural or adoptive grandparents
203 or parents of the owner of the property or of the owner's spouse

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204 if at least one of the grandparents or parents for whom the
205 living quarters are provided is 62 years of age or older. Such a
206 reduction may not exceed the lesser of the following:

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

209 (2) Twenty percent of the total assessed value of the
210 property as improved.

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

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

220 (2) No assessment shall exceed just value.

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

226 (4) Changes, additions, reductions, or improvements to such
227 property shall be assessed as provided for by general law;
228 however, after the adjustment for any change, addition,
229 reduction, or improvement, the property shall be assessed as
230 provided in this subsection.

231 (h) For all levies other than school district levies,
232 assessments of real property that is not subject to the

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233 assessment limitations set forth in subsections (a) through (d)
234 and (g) shall change only as provided in this subsection.

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

239 (2) No assessment shall exceed just value.

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

245 (4) The legislature may provide that such property shall be
246 assessed at just value as of the next assessment date after a
247 change of ownership or control, as defined by general law,
248 including any change of ownership of the legal entity that owns
249 the property. Thereafter, such property shall be assessed as
250 provided in this subsection.

251 (5) Changes, additions, reductions, or improvements to such
252 property shall be assessed as provided for by general law;
253 however, after the adjustment for any change, addition,
254 reduction, or improvement, the property shall be assessed as
255 provided in this subsection.

256 (i) The legislature, by general law and subject to
257 conditions specified therein, may prohibit the consideration of
258 any change or improvement made for the purpose of improving the
259 property's resistance to wind damage ~~the following~~ in the
260 determination of the assessed value of real property used for
261 residential purposes.

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

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

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

267 a. Land used predominantly for commercial fishing purposes.

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

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

271 d. Water-dependent marine manufacturing facilities,
 272 commercial fishing facilities, and marine vessel construction
 273 and repair facilities and their support activities.

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

277 ARTICLE XII

278 SCHEDULE

279 Property tax exemption for a renewable energy source
 280 device.-

281 (a) The authorization for the legislature to grant the ad
 282 valorem tax exemption for a renewable energy source device and
 283 the property on which the device is installed and operated
 284 pursuant to Section 3 of Article VII shall take effect January
 285 1, 2013.

286 (b) The repeal of the authorization for the legislature to
 287 prohibit an increase in the assessed value of real property used
 288 for residential purposes as a result of installing a renewable
 289 energy source device shall take effect upon approval by the
 290 electors.

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291 BE IT FURTHER RESOLVED that the following statement be
292 placed on the ballot:

293 CONSTITUTIONAL AMENDMENT

294 ARTICLE VII, SECTIONS 3 and 4

295 ARTICLE XII

296 TAXATION OF RENEWABLE ENERGY SOURCE DEVICES.—Currently, the
297 State Constitution authorizes the Legislature to prohibit the
298 consideration of the existence of a renewable energy source
299 device in determining the value of residential real property
300 that is subject to property taxes. This proposed amendment to
301 the State Constitution replaces that authorization with a
302 provision that authorizes the Legislature to grant a property
303 tax exemption for a renewable energy source device and the
304 property on which it is installed for an amount not to exceed
305 the purchase price of the device and for a duration not to
306 exceed 10 years. Unlike the existing property tax benefit, the
307 proposed property tax benefit is not limited to residential
308 property.