

By the Committees on Judiciary; and Community Affairs; and
Senator Fasano

590-04469-11

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Senate 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.

2.b. The percent change in the Consumer Price Index for all

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59 urban consumers, U.S. City Average, all items 1967=100, or a
60 successor index reports for the preceding calendar year as
61 initially reported by the United States Department of Labor,
62 Bureau of Labor Statistics.

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

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

69 (3) After a ~~any~~ change of ownership, as provided by general
70 law, homestead property shall be assessed at just value as of
71 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

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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

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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

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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 changed
157 annually on the date of assessment provided by law. However,
158 ~~but~~ those changes in assessments may ~~shall~~ not exceed 5 ~~ten~~
159 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 such
171 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.

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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 changed
180 annually on the date of assessment provided by law. However,
181 ~~but~~ those changes in assessments may ~~shall~~ not exceed 5 ~~ten~~
182 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 be
194 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
197 the property. Thereafter, such property shall be assessed as
198 provided in this subsection.

199 (5) Changes, additions, reductions, or improvements to such
200 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.

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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 purposes.

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

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

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

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

223 SECTION 6. Homestead exemptions.-

224 (a) Every person who has the legal or equitable title to
225 real estate and maintains thereon the permanent residence of the
226 owner, or another legally or naturally dependent upon the owner,
227 shall be exempt from taxation thereon, except assessments for
228 special benefits, up to the assessed valuation of \$25,000
229 ~~twenty-five thousand dollars~~ and, for all levies other than
230 school district levies, on the assessed valuation greater than
231 \$50,000 ~~fifty thousand dollars~~ and up to \$75,000 ~~seventy-five~~
232 ~~thousand dollars~~, upon establishment of right thereto in the

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233 manner prescribed by law. The real estate may be held by legal
234 or equitable title, by the entireties, jointly, in common, as a
235 condominium, or indirectly by stock ownership or membership
236 representing the owner's or member's proprietary interest in a
237 corporation owning a fee or a leasehold initially in excess of
238 98 ~~ninety-eight~~ years. The exemption shall not apply with
239 respect to any assessment roll until such roll is first
240 determined to be in compliance with the provisions of Section 4
241 by a state agency designated by general law. This exemption is
242 repealed on the effective date of any amendment to this Article
243 which provides for the assessment of homestead property at less
244 than just value.

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

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

257 (d) The legislature may, by general law, allow counties or
258 municipalities, for the purpose of their respective tax levies
259 and subject to the provisions of general law, to grant an
260 additional homestead tax exemption not exceeding \$50,000 ~~fifty~~
261 ~~thousand dollars~~ to any person who has the legal or equitable

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262 title to real estate and maintains thereon the permanent
263 residence of the owner and who has attained age 65 ~~sixty-five~~
264 and whose household income, as defined by general law, does not
265 exceed \$20,000 ~~twenty thousand dollars~~. The general law must
266 allow counties and municipalities to grant this additional
267 exemption, within the limits prescribed in this subsection, by
268 ordinance adopted in the manner prescribed by general law, and
269 must provide for the periodic adjustment of the income
270 limitation prescribed in this subsection for changes in the cost
271 of living.

272 (e) Each veteran who is age 65 or older who is partially or
273 totally permanently disabled shall receive a discount from the
274 amount of the ad valorem tax otherwise owed on homestead
275 property the veteran owns and resides in if the disability was
276 combat related, the veteran was a resident of this state at the
277 time of entering the military service of the United States, and
278 the veteran was honorably discharged upon separation from
279 military service. The discount shall be in a percentage equal to
280 the percentage of the veteran's permanent, service-connected
281 disability as determined by the United States Department of
282 Veterans Affairs. To qualify for the discount granted by this
283 subsection, an applicant must submit to the county property
284 appraiser, by March 1, proof of residency at the time of
285 entering military service, an official letter from the United
286 States Department of Veterans Affairs stating the percentage of
287 the veteran's service-connected disability and such evidence
288 that reasonably identifies the disability as combat related, and
289 a copy of the veteran's honorable discharge. If the property
290 appraiser denies the request for a discount, the appraiser must

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291 notify the applicant in writing of the reasons for the denial,
292 and the veteran may reapply. The legislature may, by general
293 law, waive the annual application requirement in subsequent
294 years. This subsection shall take effect December 7, 2006, is
295 self-executing, and does not require implementing legislation.

296 (f) As provided by general law and subject to conditions
297 specified therein, every person who establishes the right to
298 receive the homestead exemption provided in subsection (a)
299 within 1 year after purchasing the homestead property and who
300 has not owned property in the previous 3 calendar years to which
301 the homestead exemption provided in subsection (a) applied is
302 entitled to an additional homestead exemption in an amount equal
303 to 50 percent of the homestead property's just value on January
304 1 of the year the homestead is established for all levies other
305 than school district levies. The additional exemption shall
306 apply for a period of 5 years or until the year the property is
307 sold, whichever occurs first. The amount of the additional
308 exemption shall not exceed \$200,000 and shall be reduced in each
309 subsequent year by an amount equal to 20 percent of the amount
310 of the additional exemption received in the year the homestead
311 was established or by an amount equal to the difference between
312 the just value of the property and the assessed value of the
313 property determined under Section 4(d), whichever is greater.
314 Not more than one exemption provided under this subsection shall
315 be allowed per homestead property. The additional exemption
316 shall apply to property purchased on or after January 1, 2011,
317 if this amendment is approved at a special election held on the
318 date of the 2012 presidential preference primary, or on or after
319 January 1, 2012, if approved at the 2012 general election, but

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320 shall not be available in the sixth and subsequent years after
321 the additional exemption is first received.

ARTICLE XII

SCHEDULE

324 SECTION 27. Property tax exemptions and limitations on
325 property tax assessments.—The amendments to Sections 3, 4, and 6
326 of Article VII, providing a \$25,000 exemption for tangible
327 personal property, providing an additional \$25,000 homestead
328 exemption, authorizing transfer of the accrued benefit from the
329 limitations on the assessment of homestead property, and this
330 section, if submitted to the electors of this state for approval
331 or rejection at a special election authorized by law to be held
332 on January 29, 2008, shall take effect upon approval by the
333 electors and shall operate retroactively to January 1, 2008, or,
334 if submitted to the electors of this state for approval or
335 rejection at the next general election, shall take effect
336 January 1 of the year following such general election. The
337 amendments to Section 4 of Article VII creating subsections (f)
338 and (g) of that section, creating a limitation on annual
339 assessment increases for specified real property, shall take
340 effect upon approval of the electors and shall first limit
341 assessments beginning January 1, 2009, if approved at a special
342 election held on January 29, 2008, or shall first limit
343 assessments beginning January 1, 2010, if approved at the
344 general election held in November of 2008. ~~Subsections (f) and~~
345 ~~(g) of Section 4 of Article VII are repealed effective January~~
346 ~~1, 2019; however, the legislature shall by joint resolution~~
347 ~~propose an amendment abrogating the repeal of subsections (f)~~
348 ~~and (g), which shall be submitted to the electors of this state~~

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349 ~~for approval or rejection at the general election of 2018 and,~~
350 ~~if approved, shall take effect January 1, 2019.~~

351 SECTION 32. Property assessments.—This section and the
352 amendment to Section 4 of Article VII protecting homestead
353 property having a declining just value and reducing the limit on
354 the maximum annual increase in the assessed value of
355 nonhomestead property from 10 percent to 5 percent, if submitted
356 to the electors of this state for approval or rejection at a
357 special election authorized by law to be held on the date of the
358 2012 presidential preference primary, shall take effect upon
359 approval by the electors and shall operate retroactively to
360 January 1, 2012, or, if submitted to the electors of this state
361 for approval or rejection at the 2012 general election, shall
362 take effect January 1, 2013.

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

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378 January 1, 2013, and the additional homestead exemption shall be
379 available for properties purchased on or after January 1, 2012.

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

382 CONSTITUTIONAL AMENDMENT

383 ARTICLE VII, SECTIONS 4, 6

384 ARTICLE XII, SECTIONS 27, 32, 33

385 PROPERTY TAX LIMITATIONS; ADDITIONAL HOMESTEAD EXEMPTION.-

386 (1) In certain circumstances, the law requires the assessed
387 value of real property to increase when the just value of the
388 property decreases. This amendment authorizes the Legislature,
389 by general law, to prohibit such increases in the assessment of
390 property whose just value has declined below its just value on
391 the preceding assessment date. This amendment takes effect upon
392 approval by the voters, if approved at a special election held
393 on the date of the 2012 presidential preference primary and
394 operates retroactively to January 1, 2012, or, if approved by
395 the voters at the general election, takes effect January 1,
396 2013.

397 (2) This amendment reduces from 10 percent to 5 percent the
398 limitation on annual increases in assessments of nonhomestead
399 real property. This amendment takes effect upon approval of the
400 voters, if approved at a special election held on the date of
401 the 2012 presidential preference primary and operates
402 retroactively to January 1, 2012, or, if approved by the voters
403 at the general election, takes effect January 1, 2013.

404 (3) This amendment also provides owners of homestead
405 property who have not owned homestead property during the 3
406 calendar years immediately preceding purchase of the current

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407 homestead property with an additional homestead exemption equal
408 to 50 percent of the property's just value in the first year for
409 all levies other than school district levies, limited to
410 \$200,000; applies the additional exemption for the shorter of 5
411 years or the year of sale of the property; reduces the amount of
412 the additional exemption in each succeeding year for 5 years by
413 the greater of 20 percent of the amount of the initial
414 additional exemption or the difference between the just value
415 and the assessed value of the property; limits the additional
416 exemption to one per homestead property; limits the additional
417 exemption to properties purchased on or after January 1, 2011,
418 if approved by the voters at a special election held on the date
419 of the 2012 presidential preference primary, or on or after
420 January 1, 2012, if approved by the voters at the 2012 general
421 election; prohibits availability of the additional exemption in
422 the sixth and subsequent years after the additional exemption is
423 granted; and provides for the amendment to take effect upon
424 approval of the voters and operate retroactively to January 1,
425 2012, if approved at the special election held on the date of
426 the 2012 presidential preference primary, or on January 1, 2013,
427 if approved by the voters at the 2012 general election.

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