

By the Committee on Judiciary; and Senator Diaz de la Portilla

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Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to authorize counties and municipalities to limit the assessed value of the homesteads of certain low-income senior citizens.

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

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

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

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

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

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

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

37 (1) Except as provided in paragraph (2), assessments  
38 subject to this subsection shall be changed annually on January  
39 1 ~~1st~~ of each year; but those changes in assessments shall not  
40 exceed the lower of the following:

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

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

47 (2) The legislature may, by general law, allow counties or  
48 municipalities, for the purpose of their respective tax levies  
49 and subject to the provisions of general law, to limit  
50 assessments on homestead property subject to the additional  
51 homestead tax exemption under Section 6(d) to the assessed value  
52 of the property in the prior year if the just value of the  
53 property is equal to or less than one hundred fifty percent of  
54 the average just value of homestead property within the  
55 respective county or municipality. The general law must allow  
56 counties and municipalities to provide this limitation by  
57 ordinance adopted in the manner prescribed by general law,  
58 specify the state agency designated to calculate the average

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59 just value of homestead property within each county and  
60 municipality, and provide that such agency annually supply that  
61 information to each property appraiser. The calculation shall be  
62 based on the prior year's tax roll of each county.

63 (3)~~(2)~~ No assessment shall exceed just value.

64 (4)~~(3)~~ After any change of ownership, as provided by  
65 general law, homestead property shall be assessed at just value  
66 as of January 1 of the following year, unless the provisions of  
67 paragraph (9) ~~(8)~~ apply. Thereafter, the homestead shall be  
68 assessed as provided in this subsection.

69 (5)~~(4)~~ New homestead property shall be assessed at just  
70 value as of January 1 ~~1st~~ of the year following the  
71 establishment of the homestead, unless the provisions of  
72 paragraph (9) ~~(8)~~ apply. That assessment shall only change as  
73 provided in this subsection.

74 (6)~~(5)~~ Changes, additions, reductions, or improvements to  
75 homestead property shall be assessed as provided for by general  
76 law; provided, however, after the adjustment for any change,  
77 addition, reduction, or improvement, the property shall be  
78 assessed as provided in this subsection.

79 (7)~~(6)~~ In the event of a termination of homestead status,  
80 the property shall be assessed as provided by general law.

81 (8)~~(7)~~ The provisions of this amendment are severable. If  
82 any of the provisions of this amendment shall be held  
83 unconstitutional by any court of competent jurisdiction, the  
84 decision of such court shall not affect or impair any remaining  
85 provisions of this amendment.

86 (9)~~(8)~~a. A person who establishes a new homestead as of  
87 January 1, 2009, or January 1 of any subsequent year and who has

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88 received a homestead exemption pursuant to Section 6 of this  
89 Article as of January 1 of either of the two years immediately  
90 preceding the establishment of the new homestead is entitled to  
91 have the new homestead assessed at less than just value. If this  
92 revision is approved in January of 2008, a person who  
93 establishes a new homestead as of January 1, 2008, is entitled  
94 to have the new homestead assessed at less than just value only  
95 if that person received a homestead exemption on January 1,  
96 2007. The assessed value of the newly established homestead  
97 shall be determined as follows:

98 1. If the just value of the new homestead is greater than  
99 or equal to the just value of the prior homestead as of January  
100 1 of the year in which the prior homestead was abandoned, the  
101 assessed value of the new homestead shall be the just value of  
102 the new homestead minus an amount equal to the lesser of  
103 \$500,000 or the difference between the just value and the  
104 assessed value of the prior homestead as of January 1 of the  
105 year in which the prior homestead was abandoned. Thereafter, the  
106 homestead shall be assessed as provided in this subsection.

107 2. If the just value of the new homestead is less than the  
108 just value of the prior homestead as of January 1 of the year in  
109 which the prior homestead was abandoned, the assessed value of  
110 the new homestead shall be equal to the just value of the new  
111 homestead divided by the just value of the prior homestead and  
112 multiplied by the assessed value of the prior homestead.  
113 However, if the difference between the just value of the new  
114 homestead and the assessed value of the new homestead calculated  
115 pursuant to this sub-subparagraph is greater than \$500,000, the  
116 assessed value of the new homestead shall be increased so that

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117 the difference between the just value and the assessed value  
118 equals \$500,000. Thereafter, the homestead shall be assessed as  
119 provided in this subsection.

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

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

131 (f) A county may, in the manner prescribed by general law,  
132 provide for a reduction in the assessed value of homestead  
133 property to the extent of any increase in the assessed value of  
134 that property which results from the construction or  
135 reconstruction of the property for the purpose of providing  
136 living quarters for one or more natural or adoptive grandparents  
137 or parents of the owner of the property or of the owner's spouse  
138 if at least one of the grandparents or parents for whom the  
139 living quarters are provided is 62 years of age or older. Such a  
140 reduction may not exceed the lesser of the following:

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

143 (2) Twenty percent of the total assessed value of the  
144 property as improved.

145 (g) For all levies other than school district levies,

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146 assessments of residential real property, as defined by general  
147 law, which contains nine units or fewer and which is not subject  
148 to the assessment limitations set forth in subsections (a)  
149 through (d) shall change only as provided in this subsection.

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

154 (2) No assessment shall exceed just value.

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

160 (4) Changes, additions, reductions, or improvements to such  
161 property shall be assessed as provided for by general law;  
162 however, after the adjustment for any change, addition,  
163 reduction, or improvement, the property shall be assessed as  
164 provided in this subsection.

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

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

173 (2) No assessment shall exceed just value.

174 (3) The legislature must provide that such property shall

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175 be assessed at just value as of the next assessment date after a  
176 qualifying improvement, as defined by general law, is made to  
177 such property. Thereafter, such property shall be assessed as  
178 provided in this subsection.

179 (4) The legislature may provide that such property shall be  
180 assessed at just value as of the next assessment date after a  
181 change of ownership or control, as defined by general law,  
182 including any change of ownership of the legal entity that owns  
183 the property. Thereafter, such property shall be assessed as  
184 provided in this subsection.

185 (5) Changes, additions, reductions, or improvements to such  
186 property shall be assessed as provided for by general law;  
187 however, after the adjustment for any change, addition,  
188 reduction, or improvement, the property shall be assessed as  
189 provided in this subsection.

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

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

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

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

199 a. Land used predominantly for commercial fishing purposes.

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

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

203 d. Water-dependent marine manufacturing facilities,

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204 commercial fishing facilities, and marine vessel construction  
205 and repair facilities and their support activities.

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

209 BE IT FURTHER RESOLVED that the following statement be  
210 placed on the ballot:

211 CONSTITUTIONAL AMENDMENT

212 ARTICLE VII, SECTION 4

213 ASSESSMENT OF HOMESTEAD PROPERTY OWNED BY LOW-INCOME SENIOR  
214 CITIZENS.—Currently, counties and municipalities may grant an  
215 additional homestead exemption to a person who is 65 years of  
216 age or older and who has a household income of \$20,000 or less.  
217 This proposed amendment to the State Constitution authorizes  
218 counties and municipalities to limit the assessments of the  
219 homesteads of persons receiving such additional exemption to the  
220 assessed value of the property in the prior year if the just  
221 value of the property is equal to or less than 150 percent of  
222 the average just value of homestead property in the respective  
223 county or municipality. As such, if authorized by a county or  
224 municipality, these individuals will not be required to pay more  
225 county or municipal ad valorem taxes than they paid in the prior  
226 year as the result of an increase in the value of their  
227 homesteads.