



195.099, 196.031, 196.061, 196.081, 196.082, 196.091, 196.101, 196.121, 196.173, 196.199, 196.202, 196.24, 197.332, 200.065, 218.12, and 218.125.

The bill repeals sections 192.117 and 195.0985, Florida Statutes.

## II. Present Situation:

Section 195.002, F.S., provides that the Department of Revenue (department) has general supervision of the assessment and valuation of property, tax collection and all other aspects of the administration of property taxes. In its supervisory role, the department from time to time identifies statutory provisions that appear to contain drafting errors, inconsistencies, or inefficiencies. This bill contains recommendations, suggested by the department and approved by the Governor and Cabinet, to address some of these issues.

In 2008, Florida voters approved Amendment 1 to the State Constitution, which increased the homestead exemption, provided portability of the Save Our Home tax limitation, and limited assessment increases for non-homestead property. The Legislature has also made significant changes to property tax statutes in recent years—imposing limitations on local millage rates, changing the value adjustment board (VAB) process, and changing the burden of proof in assessment challenges. Since these changes have been in effect, it has become apparent that some of the language implementing them contained drafting errors, left certain questions unanswered, or created administrative difficulties. Inconsistencies with other statutory provisions have also been uncovered, creating further challenges in implementing the constitutional and statutory changes.

## III. Effect of Proposed Changes:

### Section 1

Present situation: Section 192.001, F.S., defines terms used in the statutes imposing ad valorem taxes. Some of these definitions have not been amended to conform to other statutory and constitutional changes.

Proposed change: This bill amends the definition of “assessed value of property” to make it consistent with Article VII of the Florida Constitution, as amended in 2008. It also amends the definition of “complete submission of the rolls” to conform to s. 193.114, F.S., as amended in 2008.

### Sections 2 and 10

Present situation: Taxpayers are permitted to protest their property tax assessment through hearings before VABs. Section 194.032(2), F.S., provides guidance regarding the scheduling of hearings, including the taxpayer’s ability to reschedule a hearing once for any reason. The statute also includes an obsolete provision requiring taxpayers to wait a minimum of 4 hours for their VAB hearing before being able to file suit in circuit court. Section 192.0105, F.S., provides taxpayers certain rights with regard to the administration of property taxes, which includes the right to be heard within 4 hours of the scheduled hearing time.

Proposed change: The bill repeals the obsolete statutory language providing the 4 hour waiting requirement before filing in circuit court, and it limits the waiting time for petitioners to a “reasonable time, not to exceed 2 hours.” Lastly, this section clarifies that if a taxpayer reschedules a hearing after waiting 2 hours, the taxpayer is not considered to have exercised his or her right to reschedule one time for any reason.

**Section 3** repeals s. 192.117, F.S., which created the Property Tax Administration Task Force. This task force was dissolved in 2004.

#### **Section 4**

Present situation: Section 193.114(2), F.S., lists items that must be included on the real property assessment roll. When this section was amended in 2008, some of the changes made at that time used terms that are inconsistent with established practice and terminology, and this has led to confusion for the property appraisers.

Section 193.114(2)(n), F.S., requires all sales data included on property tax rolls to be current, and property appraisers are required to decide whether a sale is a “qualified sale” – meaning it is an arm’s length sale – within 3 months after the date of sale.

Section 193.114(4), F.S., provides guidance to the property appraiser in documenting any adjustments made pursuant to s. 194.011, F.S. Section 194.011, F.S., permits owners who object to the value placed on their property to informally confer with the property appraiser about the value and to present facts for consideration in adjusting the value.

Proposed change: Section 193.114(2)(n), F.S., is amended to change the recorded selling price requirement from the two most recently recorded selling prices to the recorded selling prices required by s. 193.114, F.S., and to replace the term “sale price” with “recorded selling price” to clarify that the price submitted must be the amount indicated by the documentary stamps posted on the transfer document. The term “sale” is replaced with “transfer” to clarify that all real property transfers recorded or otherwise discovered during the period beginning 1 year before the assessment date, and up to the date the roll is submitted to the department, must be included on the assessment roll. “Transfer date” is defined as the date on which the transfer document was signed and notarized, and sale qualification decisions must be recorded on the assessment roll within 3 months after the deed or other transfer instrument is recorded or otherwise discovered.

Section 193.114(2)(n), F.S., is amended to clarify that property appraisers may change their decisions on sales qualifications if new evidence suggests a change is appropriate. Property appraisers are required to document the change in a manner acceptable to the Department of Revenue.

Section 193.114(2)(p), F.S., is amended to delete the requirement that the assessment roll contain the name and address of a fiduciary responsible for payment of property taxes.

#### **Sections 5 and 6**

Present situation: Amendment 1, approved by the voters in 2008, provided that the assessed value of certain property cannot increase by more than 10 percent over the prior year. Sections

193.1554 and 193.1555, F.S., which implement this provision, require that property be assessed at just (full) value the first year the property is “placed on the tax roll.” It is not clear from the statutory language that “placed on the tax roll” is meant to include property that was already on the roll in a different classification, although the fiscal impact estimates provided at the time were based on that assumption.<sup>1</sup> These sections also provide for assessment of combined or divided parcels, but do not specify how to assess parcels that are combined or divided after the assessment date but before the tax bills are sent.

Proposed change: These sections are amended to clarify that property must be assessed at full value when it is subject to a new limitation, and that parcels combined or divided after January 1 are not considered combined or divided for purposes of assessment until the January 1 that the parcels are first assessed as combined or divided, even though they are combined or divided for purposes of the tax notice. These sections of the bill also clarify that increases in value due to dividing property are apportioned to each parcel pro rata based on just value, and increases in value of property when properties are combined are attributable to the combination.

### **Sections 7, 8 and 9**

Present situation: Sections 193.501, 193.503, 193.505, F.S., provide reduced assessments for lands subject to a conservation easement or other development limitation, historic property used for commercial or certain nonprofit purposes, or historically significant property when development rights have been conveyed or historic preservation restrictions have been covenanted, respectively. The statutes require repayment of the reduced tax liabilities if the use is not maintained for the required period, and local tax collectors are required to report this repayment information to the department. These repayments are rare and this information is not needed by the department.

Proposed change: These sections are amended to delete the reporting requirement.

### **Section 11**

Present situation: Section 194.034(2), F.S., requires the VAB clerk to notify taxpayer petitioners, property appraisers, and the department of board decisions.

Proposed changes: This subsection is amended to delete the requirement that the department be notified of every VAB decision. It allows the department to request notification or other information as provided in s. 194.037, F.S.

### **Section 12**

Present situation: Section 195.072, F.S., requires state agencies to aid and assist the Department of Revenue as necessary to ensure the just and equitable administration of property taxes within Florida.

Proposed change: Section 195.072, F.S., is amended to also require the Department of Revenue to provide procedural and valuation assistance to state agencies that are investigating property appraisers.

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<sup>1</sup> *Sommers v. Orange County Property Appraiser, et.al.*, a recent summary judgment issued by the Ninth Judicial Circuit Court, determined that the Sommers were entitled to the 10% assessment limitation on their previously homesteaded property without first reassessing the home to its full market value. The court based its ruling on constitutional language implemented in section 193.1554(3), F.S. This ruling is being appealed.

**Sections 13 and 14**

Present situation: Sections 195.096 and 195.0985, F.S., require the department to report the results of its in-depth review of the assessment rolls of each county. The findings must be published and copies must be forwarded to legislative staff and county officials. The statutory reporting requirements contain different reporting dates and redundant requirements. Additionally, s. 195.096, F.S., requires that assessment rolls be statistically sampled to ensure a 95 percent level of confidence that the sample is statistically valid. However, in some smaller jurisdictions, there is insufficient data to meet the 95 percent standard.

Proposed change: The bill amends subsections (2) and (3) of s. 195.096 to standardize reporting requirements for the in-depth assessment roll review, and repeals s. 195.0985, F.S., which contains a redundant requirement. In reviewing assessment rolls, the bill requires that generally accepted ratio standards be used when a 95 percent level of confidence cannot be obtained.

**Section 15**

Present Situation: Section 195.099, F.S., requires the department to review the assessment of new, rebuilt, or expanded businesses in designated enterprise zones or “brownfield” areas.

Proposed change: This section is amended to allow the department to review these assessments as the need arises for such review.

**Section 16**

Present Situation: Section 196.031, F.S., specifies the order in which various exemptions are applied to homestead property. Under present law, the order of exemptions has the result that some properties are not able to take full advantage of all the exemptions.

Proposed change: This section is amended to require that after the two \$25,000 homestead exemptions provided in s. 196.031(1), F.S., are applied, the remaining exemptions must be applied in a manner that results in the lowest taxable value.

**Sections 17**

Present situation: Section 196.061, F.S., provides that rental of an entire homestead dwelling constitutes abandonment of the dwelling as a homestead. Owners sometimes rent the majority of the dwelling, but retain possession of a closet or similar limited space. In these situations, some owners have attempted to retain homestead exemption on these properties claiming that they have not rented the “entire” dwelling. A recent court decision<sup>2</sup> reviewed this type of situation and concluded that the owner had rented the “entire” property even though possession of two locked closets was retained.

Proposed change: This section is amended to clarify that rental of all or substantially all of the property constitutes abandonment of the property as a homestead.

**Sections 18-21 and 26-27**

Present situation: Sections 196.081, 196.082, 196.091, and 196.101, 196.202, and 196.24, F.S., provide property tax discounts and exemptions for disabled veterans, other disabled persons,

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<sup>2</sup> Haddock v. Carmody, 1 So.3d 1133 (Fla. 1<sup>st</sup> DCA 2009).

widows, widowers, blind persons, persons permanently and totally disabled, and disabled servicemembers or surviving spouses under certain conditions. In order to qualify, a taxpayer must obtain a disability letter from the United States government, the United States Department of Veterans Affairs or its predecessor, or the Social Security Administration, and the person may not receive a discount or exemption until the letter is obtained. In some instances, taxpayers have lost the ability to claim discounts and exemptions because the documentation was delayed.

Proposed change: The bill amends these sections to allow a taxpayer to apply for the discount or exemption, with approval contingent upon the taxpayer providing the required documentation. Once the documentation is received by the property appraiser, the exemption is granted back to the date of the original application and a refund of excess tax payments is made. The refund is only permitted for years that are within the normal 4 year statute of limitations for refunds.

## **Section 22**

Present situation: Section 196.121, F.S., requires the department to furnish printed homestead exemption forms to the property appraisers. This requirement is obsolete since the forms are provided electronically and funding for printed forms has been eliminated.

Proposed change: The bill amends this section to delete the requirement for printed forms and clarify that the department will provide electronic funds.

## **Section 23**

Present situation: Section 196.173, F.S., provides an exemption for servicemembers that are deployed outside the continental United States, Alaska, or Hawaii in support of certain named military operations. Currently, the list of qualifying operations includes Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn. The beginning and ending dates for each operation are identified. However, Operation New Dawn was continuing at the time the statute was last updated. Thus, it does not include an ending date.

Proposed change: Section 196.173, F.S., is amended to include an ending date for Operation New Dawn, which ended on December 15, 2011. The statute is also amended to provide for two new qualifying operations – Operation Noble Eagle, which began on September 15, 2001, and Operation Odyssey Dawn, which began on March 19, 2011 and ended on October 31, 2011.

## **Section 24**

Present situation: Section 196.199, F.S., provide property tax exemptions for certain government property. Generally, these exemptions provide an exemption for all state, federal, and municipal property when that property is both owned and used by the governmental unit for a governmental purpose.<sup>3</sup> Property that is owned by the governmental unit but used by non-governmental entities is also exempt, but only in certain circumstances.<sup>4</sup>

Proposed change: The bill creates a new exemption for municipal property that is used as an essential ancillary function of a facility constructed with financing obtained by pledging convention development taxes authorized by s. 212.0305(4), F.S.

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<sup>3</sup> See section 196.199(1)(a)-(c), F.S.

<sup>4</sup> See section 196.199(2)-(10), F.S.

**Section 25** creates an undesignated section of law that makes the exemption created by section 24 of this bill retroactive to January 1, 2012, thereby making the exemption available for the 2012 tax roll.

### **Section 28**

Present situation: Section 197.332, F.S., requires tax collectors to collect all taxes shown on the tax roll, authorizes the use of contracted services, and authorizes the collection of costs to pay for contracted services.

Proposed change: Section 197.332, F.S., is amended to authorize collection of costs for processing tax deed applications electronically.

### **Section 29**

Present situation: In s. 200.065(5), F.S., the statutory language used to limit local governments' millage rates contains a reference to the prior year's rate. In an apparent drafting error, the phrase "is adopted" was used instead of "was adopted" in referring to that rate, causing uncertainty in the phrase's meaning. Also, s. 200.065(10), F.S., requires notice when a district school board levies additional tax pursuant to s. 1011.71(2), F.S. Since, 2008, districts have also been able to levy additional tax pursuant to s. 1011.71(3), F.S. However, the notice requirements in s. 200.065(1), F.S., do not reference those levies.

Proposed change: Section 200.065(5)(a), F.S., is amended in the bill to change the phrase from "is adopted" to "was adopted," and s. 200.065(10), F.S., is amended to also require notice when school districts levy additional property tax pursuant to s. 1011.71(3), F.S.

### **Sections 30 and 31**

Present situation: Sections 218.12 and 218.125, F.S., provide for distributions to fiscally constrained counties for tax losses due to constitutional changes approved by the voters in 2008. There is no provision in the statute for addressing what happens if a county fails to apply for the distribution. The statute also requires counties to report their maximum millage under ch. 200, F.S., but the citation to that chapter is not correct. Finally, distributions under both sections are calculated by multiplying the current year reduction in taxable value by the prior year's millage rate, rather than the current year's rate.

Proposed change: The bill amends these sections to specify that if a county fails to apply for distribution under these sections its share reverts to the fund from which the appropriation is made. The maximum millage calculation references are corrected, and the calculation of the distribution is based on the current year millage.

**Section 32** creates an undesignated section of law that provides, notwithstanding the application deadline in s. 196.173(5), F.S., that the deadline for a service-member to file a claim for an additional ad valorem tax exemption for a qualifying deployment during the 2011 calendar year is June 1, 2012, but requires that the applicant must file an application on or before the 25<sup>th</sup> day after the property appraiser mails certain notices. The bill provides that if the applicant demonstrates extenuating circumstances for not applying on time, the property appraiser may grant the exemption. If the applicant is unable to demonstrate extenuating circumstances, the

applicant may file a petition with the value adjustment board on or before the 25<sup>th</sup> day after the property appraiser mails notice as provided in s. 194.011(1), F.S. Lastly, the bill waives the filing fees for these petitions and authorizes the value adjustment board to grant the exemption if the board judges the exemption warranted under the circumstances.

**Section 33** provides that sections 23 and 32 (relating to the deployed service-member exemption) shall take effect upon becoming a law and first apply to ad valorem tax rolls for 2012.

**Section 34** provides that, except as otherwise provided, this act shall take effect upon becoming a law.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

Article VII, section 18(b), of the Florida Constitution, provides that “[e]xcept upon approval of each house of the legislature by two-thirds of the membership, the legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenues in the aggregate, as such authority exists on February 1, 1989.” Since this bill would reduce a county or municipality’s authority to raise revenue in the aggregate, it may require a two-thirds vote of the membership of each house of the Legislature for passage if the magnitude of that reduction is found to be significant for the purposes of this provision.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

None.

##### **D. Other:**

Section 24 of this bill provides a tax exemption for municipal property used as an “essential ancillary function” of a facility constructed with financing obtained by pledging proceeds of the convention development tax on transient rentals. The proposed exemption appears to be drafted in an attempt to resolve a disagreement between the City of Miami and the Miami-Dade County Property Appraiser regarding the taxation of a parking garage.

The following discussion relies on information contained in the House of Representatives Staff Analysis for CS/HB 7097, dated February 23, 2012.

On March 3, 2008, Miami-Dade County, the City and the Florida Marlins executed a “Baseball Stadium Agreement” outlining the general terms and conditions under which they would design, develop, construct

and operate a Major League Baseball stadium and related parking facilities. The agreement provided for the construction and operation of parking facilities to be made available to users of the baseball stadium.

A “City Parking Agreement” was entered into between the City of Miami and the Marlins on April 15, 2009. This 20-year contract gives the City the exclusive right, authority and responsibility to operate, manage, maintain and control the parking facilities, through the Miami Parking Authority, on a year-round basis. These rights and responsibilities include employing and supervising all personnel including cashiers, maintenance crews and security, and procuring and entering into contracts for the furnishing of all utilities, equipment, services and supplies necessary for the operation of the parking facilities. The Marlins have exclusive use of 250 parking spaces, year round. And, the contract also gives the Marlins prior and exclusive use of all of the spaces in the garages for Major League Baseball events, and other unspecified activities. The Marlins are required to pay the City an amount representing the purchase of the “Available Number of Parking Spaces,” for each regular season game played at the stadium (81 home games a year). According to the contract, these spaces “shall not exceed 5,750.” The Marlins have agreed to pay the City \$10.30 per parking space, and in turn, can set the price that the spaces are sold to fans, and retain all revenues. The Marlins, who have exclusive right to enter into agreements with respect to advertising rights, also must pay the City 50 percent of all net revenues from advertising rights, excluding certain expenses.<sup>5</sup>

The entire facility is scheduled to open this spring, and the Miami-Dade property appraiser has advised that the arrangement between the City and the Marlins amounts to a private enterprise operating on public property, and thus, the parking garages are subject to ad valorem taxation.

Miami maintains that it should not have to pay property taxes on the four parking garages, arguing that the garages are integral to the stadium, that the garages should be considered a benefit to the public, and that the County agreed that the parking garages should be tax-exempt when the ballpark deal initially was negotiated. The City has no written records supporting that position, and Article 5.3 of the parking agreement provides that, except as otherwise provided, the City is responsible for the payment of all expenses and taxes relating to the parking premises. Additionally, the City has argued that the parking garages, located in an area in East Little Havana surrounded by dilapidated public housing and

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<sup>5</sup> City Parking Agreement, the City of Miami, Miami-Dade County and Marlins Stadium Operator, LLC, April 2009.

little or no commercial retail, are open to the public when not being used by the Marlins.<sup>6</sup>

It has been estimated that the taxes will amount to \$1.2 million. Apparently, the City and County agree that 53,000 square feet of commercial space in the parking garages anticipated to be leased for dining, drinking and retail establishments are subject to property taxes.<sup>7</sup>

The structure of Florida's property tax system is largely controlled by the Florida Constitution. Among other restrictions, the constitution requires that property tax exemptions be founded upon explicit constitutional authority. The Florida Supreme Court has determined that the "Legislature is without authority to grant an exemption from property taxes [when] the exemption has no constitutional basis."<sup>8</sup>

The bill expands the statutory exemption for government property to include all municipal property under certain circumstances. The relevant constitutional provision, section (3)(a), Art. VII, Florida Constitution, provides, in part:

*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.*

The constitutional provision requires that exempt property must both be owned by a municipality and used exclusively by the municipality for municipal or public purposes. The "municipal or public purpose" requirement is the aspect that raises an issue regarding the City of Miami parking garage issue.

"Municipal or public purposes" have been described by the Florida Supreme Court as activities that are essential to the health, morals, safety, and general welfare of the people within the municipality. *Florida Dept. of Revenue v. City of Gainesville*, 918 So.2d 250, 258 (2005) (citing *State ex rel. Harper v. McDavid*, 200 So. 100 (Fla. 1941)).

In *Sebring Airport Authority*, the Florida Supreme Court analyzed a portion of s. 196.012(6), F.S., which provides that "[t]he use by a lessee, licensee, or management company of real property or a portion thereof as a convention center, visitor center, sports facility with permanent seating, concert hall, arena, stadium, park, or beach is deemed a use that serves a governmental, municipal, or public purpose or function when access to the property is open to the general public with or without a charge for admission." In that case, the Court held the quoted portion of s. 196.012(6), F.S., unconstitutional inasmuch as it created an ad valorem tax exemption for governmental property leased for use in profit-making endeavors.

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<sup>6</sup> <http://www.miamiherald.com/2011/12/24/v-print/2560785/miami-wrangles-over-marlins-stadium.html>.

<sup>7</sup> <http://www.miamiherald.com/2011/11/21/v-fullstory/2515040/miami-may-have-to-pay-property.html>.

<sup>8</sup> See *Sebring Airport Authority v. McIntyre*, 783 So. 2d 238, 247 (Fla. 2001) (citing *Archer v. Marshall*, 355 So. 2d 781, 783 (Fla. 1978)).

The bill raises an issue similar to the one analyzed in *Sebring Airport Authority*. Whether the bill comports with the constitutional provision will depend on how a court applies the constitutional provision requiring exclusive use for municipal or public purposes to the specific facts of this case.

## V. Fiscal Impact Statement:

### A. Tax/Fee Issues:

Proposed changes to ss. 196.081, 196.082, 196.091, and 196.101, 196.202, and 196.24, F.S., are estimated to reduce local property taxes by \$200,000, statewide.<sup>9</sup> School taxes comprise \$100,000 of the reduction. These changes would allow qualifying taxpayers to request limited refunds of property taxes that they paid after they applied for a disability-related exemption, but before they received supporting documentation of disability from the government.

The proposed change to s. 196.031, F.S., is estimated to reduce local property taxes by \$500,000, statewide.<sup>10</sup> School taxes comprise \$200,000 of the reduction. This change proposes that property tax exemptions be applied in the order that maximizes the use of exemptions by the taxpayer.

The proposed change to s. 196.173, F.S., expanding the list of military operations that qualify for the deployed service-member exemption, is estimated to reduce local property taxes by \$100,000, statewide.<sup>11</sup> School taxes comprise \$30,000 of the reduction.

The proposed change to s. 196.199, F.S., is estimated to reduce local property taxes by \$2.8 million, statewide.<sup>12</sup> School taxes comprise \$1.1 million of the reduction. This change proposes an exemption for municipal property financed through convention development taxes.

In total, the Revenue Estimating Conference has estimated that this bill will reduce local property taxes by \$3.6 million, statewide. School taxes comprise \$1.43 million of the reduction.

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<sup>9</sup> Office of Economic and Demographic Research, The Florida Legislature, *Revenue Estimating Conference for 2012 Regular Session –Retroactive Application, SB 1256* (December 19, 2011), available at <http://edr.state.fl.us/content/conferences/revenueimpact/archives/2012/pdf/page153-162.pdf> (last visited March 2, 2012).

<sup>10</sup> Office of Economic and Demographic Research, The Florida Legislature, *Revenue Estimating Conference for 2012 Regular Session –Order of Exemptions, PCB FTC12-01* (February 1, 2012), available at <http://edr.state.fl.us/content/conferences/revenueimpact/archives/2012/pdf/page369-373.pdf> (last visited March 2, 2012).

<sup>11</sup> Office of Economic and Demographic Research, The Florida Legislature, *Revenue Estimating Conference for 2012 Regular Session –Deployed Service Member Exemption, new operations* (January 24, 2012), available at <http://edr.state.fl.us/content/conferences/revenueimpact/archives/2012/pdf/page316-320.pdf> (last visited March 2, 2012).

<sup>12</sup> Office of Economic and Demographic Research, The Florida Legislature, *Revenue Estimating Conference for 2012 Regular Session –Government Owned Property, HB 7097* (February 9, 2012), available at <http://edr.state.fl.us/content/conferences/revenueimpact/archives/2012/pdf/page414-416.pdf> (last visited March 2, 2012).

**B. Private Sector Impact:**

This bill has several provisions that clarify the process by which taxpayers apply for various property tax exemptions and other tax preferences.

**C. Government Sector Impact:**

This bill reduces the role of the Department of Revenue in receiving various reports and approving property tax refunds, and is expected to provide greater efficiency in its oversight of property tax administration. Other statutory corrections and clarifications should also reduce the department's workload with respect to property tax oversight.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS/CS by Budget on February 29, 2012:**

- Clarifies the information required to be provided on tax rolls,
- Provides that property appraisers may change sales qualification decision, when new evidence is obtained,
- Removes language providing that only the Department of Revenue can review informal changes by property appraisers to determine whether the change is consistent with the law, and inserts amends another section of law to provide that the Department of Revenue must provide procedural and valuation assistance to agencies that are investigating property appraisers,
- Removes unnecessary language regarding the treatment of combined and divided parcels for tax roll purposes,
- Provides that the tow \$25,000 exemptions for homestead property be applied before all other exemptions, but then remaining exemptions must be applied in the order that results in the lowest taxable value,
- Updates the list of military operations that qualify for the deployed service-member exemption, and provides retroactivity and additional application time,
- Expands the property tax exemption for governmental property to include municipal property that is financed by convention development taxes, and provides that the exemption is retroactive to the 2012 tax roll; and
- Allows tax collectors to recover costs for processing tax deed applications electronically.

**CS by Budget Subcommittee on Finance and Tax on January 24, 2012:**

This Committee Substitute includes 2 amendments adopted by the Subcommittee. The amendments:

- Provide that rental of all or substantially all of a homestead constitutes abandonment of homestead use of the property, and
- Provide that only the Department of Revenue, or another designated entity, may review whether an informal adjustment by a property appraiser is consistent with law.

**B. Amendments:**

None.