

House 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.

28 (c) Pursuant to general law tangible personal property
 29 held for sale as stock in trade and livestock may be valued for
 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
 42 year.

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

48 (2) The legislature may, by general law, allow counties or
 49 municipalities, for the purpose of their respective tax levies
 50 and subject to the provisions of general law, to limit
 51 assessments on homestead property subject to the additional
 52 homestead tax exemption under Section 6(d) to the assessed value
 53 of the property in the prior year if the just value of the
 54 property is equal to or less than one hundred fifty percent of

55 the average just value of homestead property within the
 56 respective county or municipality. The general law must allow
 57 counties and municipalities to provide this limitation by
 58 ordinance adopted in the manner prescribed by general law,
 59 specify the state agency designated to calculate the average
 60 just value of homestead property within each county and
 61 municipality, and provide that such agency annually supply that
 62 information to each property appraiser. The calculation shall be
 63 based on the prior year's tax roll of each county.

64 (3)~~(2)~~ No assessment shall exceed just value.

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

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

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

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

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

87 (9)~~(8)~~a. A person who establishes a new homestead as of
 88 January 1, 2009, or January 1 of any subsequent year and who has
 89 received a homestead exemption pursuant to Section 6 of this
 90 Article as of January 1 of either of the two years immediately
 91 preceding the establishment of the new homestead is entitled to
 92 have the new homestead assessed at less than just value. If this
 93 revision is approved in January of 2008, a person who
 94 establishes a new homestead as of January 1, 2008, is entitled
 95 to have the new homestead assessed at less than just value only
 96 if that person received a homestead exemption on January 1,
 97 2007. The assessed value of the newly established homestead
 98 shall be determined as follows:

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

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

109 just value of the prior homestead as of January 1 of the year in
 110 which the prior homestead was abandoned, the assessed value of
 111 the new homestead shall be equal to the just value of the new
 112 homestead divided by the just value of the prior homestead and
 113 multiplied by the assessed value of the prior homestead.

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

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

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

132 (f) A county may, in the manner prescribed by general law,
 133 provide for a reduction in the assessed value of homestead
 134 property to the extent of any increase in the assessed value of
 135 that property which results from the construction or

136 reconstruction of the property for the purpose of providing
 137 living quarters for one or more natural or adoptive grandparents
 138 or parents of the owner of the property or of the owner's spouse
 139 if at least one of the grandparents or parents for whom the
 140 living quarters are provided is 62 years of age or older. Such a
 141 reduction may not exceed the lesser of the following:

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

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

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

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

155 (2) No assessment shall exceed just value.

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

161 (4) Changes, additions, reductions, or improvements to
 162 such property shall be assessed as provided for by general law;

163 however, after the adjustment for any change, addition,
 164 reduction, or improvement, the property shall be assessed as
 165 provided in this subsection.

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

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

174 (2) No assessment shall exceed just value.

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

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

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

190 provided in this subsection.

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

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

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

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

200 a. Land used predominantly for commercial fishing
 201 purposes.

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

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

205 d. Water-dependent marine manufacturing facilities,
 206 commercial fishing facilities, and marine vessel construction
 207 and repair facilities and their support activities.

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

211 BE IT FURTHER RESOLVED that the following statement be
 212 placed on the ballot:

213 CONSTITUTIONAL AMENDMENT

214 ARTICLE VII, SECTION 4

215 ASSESSMENT OF HOMESTEAD PROPERTY OWNED BY LOW-INCOME SENIOR
 216 CITIZENS.—Currently, counties and municipalities may grant an

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217 additional homestead exemption to a person who is 65 years of
218 age or older and who has a low household income as defined by
219 general law. This proposed amendment to the State Constitution
220 authorizes counties and municipalities to limit the assessments
221 of the homesteads of persons receiving such additional exemption
222 to the assessed value of the property in the prior year if the
223 just value of the property is equal to or less than 150 percent
224 of the average just value of homestead property in the
225 respective county or municipality. As such, if authorized by a
226 county or municipality, these individuals will not be required
227 to pay more county or municipal ad valorem taxes than they paid
228 in the prior year solely due to an increase in value of their
229 homestead property that does not result in the value of the
230 property exceeding the average just value of homestead property
231 in the county or municipality by more than 150 percent.