

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 change ~~be changed~~ annually on
39 January 1st ~~1st~~ of each year; but those changes in assessments may
40 ~~shall~~ not 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 a
44 successor index reports ~~reports~~ for the preceding calendar year as
45 initially reported by the United States Department of Labor,
46 Bureau of 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, must
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 must provide that such agency annually supply
61 that information to each property appraiser. The calculation
62 shall be based on the prior year's tax roll of each county.

63 (3)-(2) An ~~No~~ assessment may not ~~shall~~ exceed just value.

64 (4)-(3) After a ~~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 only
73 as 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 subsection ~~amendment~~ are
82 severable. If a provision ~~any of the provisions~~ of this
83 subsection is ~~amendment shall be~~ held unconstitutional by a ~~any~~
84 court of competent jurisdiction, the decision of the ~~such~~ court
85 does ~~shall~~ not affect or impair any remaining provisions of this
86 subsection ~~amendment~~.

87 (9)-(8)a. A person who ~~establishes a new homestead as of~~

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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 a ~~the~~ new homestead is entitled~~
92 ~~to have the new homestead assessed at less than just value. If~~
93 ~~this 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

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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.

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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 changed
152 annually on the date of assessment provided by law. However,
153 ~~but~~ those changes in assessments may ~~shall~~ not exceed ten
154 percent ~~(10%)~~ of the assessment for the prior year.

155 (2) An ~~No~~ assessment may not ~~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 such
162 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 changed
171 annually on the date of assessment provided by law. However,
172 ~~but~~ those changes in assessments may ~~shall~~ not exceed ten
173 percent ~~(10%)~~ of the assessment for the prior year.

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

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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 be
181 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 such
187 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 purposes.

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

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

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

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

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

212 CONSTITUTIONAL AMENDMENT

213 ARTICLE VII, SECTION 4

214 ASSESSMENT OF HOMESTEAD PROPERTY OWNED BY LOW-INCOME SENIOR
215 CITIZENS.—Currently, counties and municipalities may grant an
216 additional homestead exemption to a person who is 65 years of
217 age or older and who has a household income of approximately
218 \$26,000 or less. The income threshold will change as a result of
219 inflation. 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 as the result of an increase in the value of
229 their homesteads.