

House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to revise the Legislature's authority to exempt the value of renewable energy source devices from consideration in determining the assessed value of real property by removing a restriction that limits such exemptions to property used for residential purposes and restricting such exemptions to installation by an end-use customer of a renewable energy source device that is primarily intended to offset part or all of that customer's electricity demands.

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

27 to Florida's aquifers, or land used exclusively for
28 noncommercial recreational purposes may be classified by general
29 law and assessed solely on the basis of character or use.

30 (b) As provided by general law and subject to conditions,
31 limitations, and reasonable definitions specified therein, land
32 used for conservation purposes shall be classified by general
33 law and assessed solely on the basis of character or use.

34 (c) Pursuant to general law tangible personal property
35 held for sale as stock in trade and livestock may be valued for
36 taxation at a specified percentage of its value, may be
37 classified for tax purposes, or may be exempted from taxation.

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

43 (1) Assessments subject to this subsection shall be
44 changed annually on January 1st of each year; but those changes
45 in assessments shall not exceed the lower of the following:

46 a. Three percent (3%) of the assessment for the prior
47 year.

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

53 (2) No assessment shall exceed just value.

54 (3) After any change of ownership, as provided by general
55 law, homestead property shall be assessed at just value as of
56 January 1 of the following year, unless the provisions of
57 paragraph (8) apply. Thereafter, the homestead shall be assessed
58 as provided in this subsection.

59 (4) New homestead property shall be assessed at just value
60 as of January 1st of the year following the establishment of the
61 homestead, unless the provisions of paragraph (8) apply. That
62 assessment shall only change as provided in this subsection.

63 (5) Changes, additions, reductions, or improvements to
64 homestead property shall be assessed as provided for by general
65 law; provided, however, after the adjustment for any change,
66 addition, reduction, or improvement, the property shall be
67 assessed as provided in this subsection.

68 (6) In the event of a termination of homestead status, the
69 property shall be assessed as provided by general law.

70 (7) The provisions of this amendment are severable. If any
71 of the provisions of this amendment shall be held
72 unconstitutional by any court of competent jurisdiction, the
73 decision of such court shall not affect or impair any remaining
74 provisions of this amendment.

75 (8)a. A person who establishes a new homestead as of
76 January 1, 2009, or January 1 of any subsequent year and who has
77 received a homestead exemption pursuant to Section 6 of this
78 Article as of January 1 of either of the two years immediately

79 preceding the establishment of the new homestead is entitled to
80 have the new homestead assessed at less than just value. If this
81 revision is approved in January of 2008, a person who
82 establishes a new homestead as of January 1, 2008, is entitled
83 to have the new homestead assessed at less than just value only
84 if that person received a homestead exemption on January 1,
85 2007. The assessed value of the newly established homestead
86 shall be determined as follows:

87 1. If the just value of the new homestead is greater than
88 or equal to the just value of the prior homestead as of January
89 1 of the year in which the prior homestead was abandoned, the
90 assessed value of the new homestead shall be the just value of
91 the new homestead minus an amount equal to the lesser of
92 \$500,000 or the difference between the just value and the
93 assessed value of the prior homestead as of January 1 of the
94 year in which the prior homestead was abandoned. Thereafter, the
95 homestead shall be assessed as provided in this subsection.

96 2. If the just value of the new homestead is less than the
97 just value of the prior homestead as of January 1 of the year in
98 which the prior homestead was abandoned, the assessed value of
99 the new homestead shall be equal to the just value of the new
100 homestead divided by the just value of the prior homestead and
101 multiplied by the assessed value of the prior homestead.

102 However, if the difference between the just value of the new
103 homestead and the assessed value of the new homestead calculated
104 pursuant to this sub-subparagraph is greater than \$500,000, the

105 assessed value of the new homestead shall be increased so that
106 the difference between the just value and the assessed value
107 equals \$500,000. Thereafter, the homestead shall be assessed as
108 provided in this subsection.

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

112 (e) The legislature may, by general law, for assessment
113 purposes and subject to the provisions of this subsection, allow
114 counties and municipalities to authorize by ordinance that
115 historic property may be assessed solely on the basis of
116 character or use. Such character or use assessment shall apply
117 only to the jurisdiction adopting the ordinance. The
118 requirements for eligible properties must be specified by
119 general law.

120 (f) A county may, in the manner prescribed by general law,
121 provide for a reduction in the assessed value of homestead
122 property to the extent of any increase in the assessed value of
123 that property which results from the construction or
124 reconstruction of the property for the purpose of providing
125 living quarters for one or more natural or adoptive grandparents
126 or parents of the owner of the property or of the owner's spouse
127 if at least one of the grandparents or parents for whom the
128 living quarters are provided is 62 years of age or older. Such a
129 reduction may not exceed the lesser of the following:

130 (1) The increase in assessed value resulting from

131 construction or reconstruction of the property.

132 (2) Twenty percent of the total assessed value of the
133 property as improved.

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

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

143 (2) No assessment shall exceed just value.

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

149 (4) Changes, additions, reductions, or improvements to
150 such property shall be assessed as provided for by general law;
151 however, after the adjustment for any change, addition,
152 reduction, or improvement, the property shall be assessed as
153 provided in this subsection.

154 (h) For all levies other than school district levies,
155 assessments of real property that is not subject to the
156 assessment limitations set forth in subsections (a) through (d)

157 and (g) shall change only as provided in this subsection.

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

162 (2) No assessment shall exceed just value.

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

168 (4) The legislature may provide that such property shall
169 be assessed at just value as of the next assessment date after a
170 change of ownership or control, as defined by general law,
171 including any change of ownership of the legal entity that owns
172 the property. Thereafter, such property shall be assessed as
173 provided in this subsection.

174 (5) Changes, additions, reductions, or improvements to
175 such property shall be assessed as provided for by general law;
176 however, after the adjustment for any change, addition,
177 reduction, or improvement, the property shall be assessed as
178 provided in this subsection.

179 (i) The legislature, by general law and subject to
180 conditions specified therein, may prohibit the consideration of
181 the following in the determination of the assessed value of real
182 property ~~used for residential purposes:~~

183 (1) Any change or improvement made to property used for
 184 residential purposes for the purpose of improving the property's
 185 resistance to wind damage.

186 (2) The installation by an end-use customer of a renewable
 187 energy source device that is primarily intended to offset part
 188 or all of that end-use customer's electricity demands.

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

191 a. Land used predominantly for commercial fishing
 192 purposes.

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

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

196 d. Water-dependent marine manufacturing facilities,
 197 commercial fishing facilities, and marine vessel construction
 198 and repair facilities and their support activities.

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

202 BE IT FURTHER RESOLVED that the following statement be
 203 placed on the ballot:

204 CONSTITUTIONAL AMENDMENT

205 ARTICLE VII, SECTION 4

206 AD VALOREM ASSESSMENTS; INSTALLATION OF RENEWABLE ENERGY
 207 SOURCE DEVICES.—Proposing an amendment to the State Constitution
 208 to revise the Legislature's authority to exempt the value of

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209 renewable energy source devices from consideration in
210 determining the assessed value of real property by removing a
211 restriction limiting such exemptions to property used for
212 residential purposes and restricting such exemptions to
213 installation by an end-use customer of a renewable energy source
214 device that is primarily intended to offset part or all of that
215 customer's electricity demands.