

By Senator Gaetz

1-01600-16

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Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII and the creation of a new section in Article XII of the State Constitution to allow the Legislature to limit growth in the assessed value of homestead and specified nonhomestead property to the growth rate in just value, to prohibit increases in the assessed value of homestead and specified nonhomestead property if the just value of the property decreases, and to provide an effective date.

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

That the following amendment to Section 4 of Article VII and the creation of a new section in Article XII of the State Constitution are 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.

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

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

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

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

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

51 c. The percent change in the homestead property's just
52 value, if the change is greater than or equal to zero and the
53 legislature so provides by general law.

54 (2) The legislature may provide by general law that an
55 assessment does not increase if the just value of the homestead
56 property is less than its just value on the preceding January 1.

57 ~~(3)~~ ~~(2)~~ No assessment shall exceed just value.

58 ~~(4)~~ ~~(3)~~ After any change of ownership, as provided by
59 general law, homestead property shall be assessed at just value
60 as of January 1 of the following year, unless the provisions of
61 paragraph (9) ~~(8)~~ apply. Thereafter, the homestead shall be

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62 assessed as provided in this subsection.

63 (5)~~(4)~~ New homestead property shall be assessed at just
64 value as of January 1st of the year following the establishment
65 of the homestead, unless the provisions of paragraph (9) ~~(8)~~
66 apply. That assessment shall only change as provided in this
67 subsection.

68 (6)~~(5)~~ Changes, additions, reductions, or improvements to
69 homestead property shall be assessed as provided for by general
70 law; provided, however, after the adjustment for any change,
71 addition, reduction, or improvement, the property shall be
72 assessed as provided in this subsection.

73 (7)~~(6)~~ In the event of a termination of homestead status,
74 the property shall be assessed as provided by general law.

75 (8)~~(7)~~ The provisions of this amendment are severable. If
76 any of the provisions of this amendment shall be held
77 unconstitutional by any court of competent jurisdiction, the
78 decision of such court shall not affect or impair any remaining
79 provisions of this amendment.

80 (9)~~(8)~~a. A person who establishes a new homestead as of
81 January 1, 2009, or January 1 of any subsequent year and who has
82 received a homestead exemption pursuant to Section 6 of this
83 Article as of January 1 of either of the two years immediately
84 preceding the establishment of the new homestead is entitled to
85 have the new homestead assessed at less than just value. If this
86 revision is approved in January of 2008, a person who
87 establishes a new homestead as of January 1, 2008, is entitled
88 to have the new homestead assessed at less than just value only
89 if that person received a homestead exemption on January 1,
90 2007. The assessed value of the newly established homestead

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91 shall be determined as follows:

92 1. If the just value of the new homestead is greater than
93 or equal to the just value of the prior homestead as of January
94 1 of the year in which the prior homestead was abandoned, the
95 assessed value of the new homestead shall be the just value of
96 the new homestead minus an amount equal to the lesser of
97 \$500,000 or the difference between the just value and the
98 assessed value of the prior homestead as of January 1 of the
99 year in which the prior homestead was abandoned. Thereafter, the
100 homestead shall be assessed as provided in this subsection.

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

114 b. By general law and subject to conditions specified
115 therein, the legislature shall provide for application of this
116 paragraph to property owned by more than one person.

117 (e) The legislature may, by general law, for assessment
118 purposes and subject to the provisions of this subsection, allow
119 counties and municipalities to authorize by ordinance that

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120 historic property may be assessed solely on the basis of
121 character or use. Such character or use assessment shall apply
122 only to the jurisdiction adopting the ordinance. The
123 requirements for eligible properties must be specified by
124 general law.

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

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

137 (2) Twenty percent of the total assessed value of the
138 property as improved.

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

144 (1) Assessments subject to this subsection shall be changed
145 annually on the date of assessment provided by law,~~+~~ but those
146 changes in assessments shall not exceed the lower of the
147 following:

148 a. Ten percent (10%) of the assessment for the prior year.

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149 b. The percent change in the property's just value, if the
150 change is greater than or equal to zero and the legislature so
151 provides by general law.

152 (2) The legislature may provide by general law that an
153 assessment does not increase if the just value of the property
154 is less than its just value on the preceding date of assessment
155 provided by law.

156 (3)~~(2)~~ No assessment shall exceed just value.

157 (4)~~(3)~~ After a change of ownership or control, as defined
158 by general law, including any change of ownership of a legal
159 entity that owns the property, such property shall be assessed
160 at just value as of the next assessment date. Thereafter, such
161 property shall be assessed as provided in this subsection.

162 (5)~~(4)~~ Changes, additions, reductions, or improvements to
163 such property shall be assessed as provided for by general law;
164 however, after the adjustment for any change, addition,
165 reduction, or improvement, the property shall be assessed as
166 provided in this subsection.

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

171 (1) Assessments subject to this subsection shall be changed
172 annually on the date of assessment provided by law,~~†~~ but those
173 changes in assessments shall not exceed the lower of the
174 following:

175 a. Ten percent (10%) of the assessment for the prior year.

176 b. The percent change in the property's just value, if the
177 change is greater than or equal to zero and the legislature so

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178 provides by general law.

179 (2) The legislature may provide by general law that an
180 assessment does not increase if the just value of the property
181 is less than its just value on the preceding date of assessment
182 provided by law.

183 (3)~~(2)~~ No assessment shall exceed just value.

184 (4)~~(3)~~ The legislature must provide that such property
185 shall be assessed at just value as of the next assessment date
186 after a qualifying improvement, as defined by general law, is
187 made to such property. Thereafter, such property shall be
188 assessed as provided in this subsection.

189 (5)~~(4)~~ The legislature may provide that such property shall
190 be assessed at just value as of the next assessment date after a
191 change of ownership or control, as defined by general law,
192 including any change of ownership of the legal entity that owns
193 the property. Thereafter, such property shall be assessed as
194 provided in this subsection.

195 (6)~~(5)~~ Changes, additions, reductions, or improvements to
196 such property shall be assessed as provided for by general law.~~+~~
197 However, after the adjustment for any change, addition,
198 reduction, or improvement, the property shall be assessed as
199 provided in this subsection.

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

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

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

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207 (j) (1) The assessment of the following working waterfront
 208 properties shall be based upon the current use of the property:
 209 a. Land used predominantly for commercial fishing purposes.
 210 b. Land that is accessible to the public and used for
 211 vessel launches into waters that are navigable.
 212 c. Marinas and drystacks that are open to the public.
 213 d. Water-dependent marine manufacturing facilities,
 214 commercial fishing facilities, and marine vessel construction
 215 and repair facilities and their support activities.
 216 (2) The assessment benefit provided by this subsection is
 217 subject to conditions and limitations and reasonable definitions
 218 as specified by the legislature by general law.

219 ARTICLE XII

220 SCHEDULE

221 Property tax assessments.—This section and the amendment to
 222 Section 4 of Article VII addressing the limitation on the growth
 223 of assessed value for homestead and specified nonhomestead
 224 property, and homestead and specified nonhomestead property
 225 having a declining just value, shall take effect January 1,
 226 2017.

227 BE IT FURTHER RESOLVED that the following statement be
 228 placed on the ballot:

229 CONSTITUTIONAL AMENDMENT

230 ARTICLE VII, SECTION 4

231 ARTICLE XII

232 PROPERTY TAX ASSESSMENTS; GROWTH RATE LIMITATIONS;
 233 DECLINING PROPERTY VALUE.—Proposing an amendment to the State
 234 Constitution to authorize the Legislature to limit growth in the
 235 assessed value of homestead and specified nonhomestead property

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236 to reflect the growth rate in the just value of the property,
237 and to authorize the Legislature to prohibit homestead and
238 specified nonhomestead property assessment increases if the
239 property's just value is less than just value from the prior
240 year. If approved by voters, the amendment takes effect January
241 1, 2017.

242 BE IT FURTHER RESOLVED that the following statement be
243 placed on the ballot if a court declares the preceding statement
244 defective and the decision of the court is not reversed:

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTION 4

ARTICLE XII

248 PROPERTY TAX ASSESSMENTS; GROWTH RATE LIMITATIONS;
249 DECLINING PROPERTY VALUE.—Proposing an amendment to the State
250 Constitution:

251 (1) The State Constitution limits growth in the assessed
252 value of homestead property to the lesser of 3 percent or the
253 inflation rate. In certain circumstances, this could lead to the
254 assessed value of homestead property growing at a faster rate
255 than just value. Therefore, the amendment allows the Legislature
256 to add an additional limit to the rate of growth for assessed
257 value of homestead property. The growth rate would be limited to
258 3 percent, the inflation rate, or the percent change in the
259 homestead property's just value, whichever is least. If approved
260 by voters, the amendment takes effect January 1, 2017.

261 (2) The State Constitution limits growth in the assessed
262 value of nonhomestead property to 10 percent of the prior year
263 assessment. In certain circumstances, this could lead to the
264 assessed value of the property growing at a faster rate than

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265 just value. Therefore, the amendment allows the Legislature to
266 add an additional limit to the rate of growth for assessed value
267 of specified nonhomestead property. The growth rate would be
268 limited to the lesser of 10 percent of the prior year assessment
269 or the percent change in the specified nonhomestead property's
270 just value. If approved by voters, the amendment takes effect
271 January 1, 2017.

272 (3) In certain circumstances, the State Constitution
273 requires the assessed value of homestead and specified
274 nonhomestead property to increase when the just value of the
275 property decreases. Therefore, the amendment allows the
276 Legislature to provide that the assessment of homestead and
277 specified nonhomestead property does not increase if the just
278 value of the property is less than its just value on the
279 preceding date of assessment. If approved by voters, the
280 amendment takes effect January 1, 2017.