

Amendment No.

CHAMBER ACTION

Senate

House

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Representative Burton offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Section 196.1955, Florida Statutes, is created to read:

196.1955 Preparing property for educational, literary, scientific, religious, or charitable use.-

(1) Property owned by an exempt organization is used for an exempt purpose if the owner has taken affirmative steps to prepare the property for an exempt educational, literary, scientific, religious, or charitable use and no portion of the property is being used for a nonexempt purpose. The term "affirmative steps" means environmental or land use permitting

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15 activities, creation of architectural plans or schematic
16 drawings, land clearing or site preparation, construction or
17 renovation activities, or other activities that demonstrate a
18 commitment to prepare the property for an exempt use.

19 (2) (a) If property owned by an organization that has been
20 granted an exemption under this section is sold, transferred, or
21 used for a purpose other than an exempt use or is not in actual
22 exempt use within 5 years after the date the organization is
23 granted an exemption, the property appraiser making such
24 determination shall serve upon the organization that received
25 the exemption a notice of intent to record in the public records
26 of the county a notice of tax lien against any property owned by
27 that organization in that county, and such property must be
28 identified in the notice of tax lien. The organization owning
29 such property is subject to the taxes otherwise due as a result
30 of the failure to use the property in an exempt manner, plus 15
31 percent interest per annum.

32 1. The lien, when filed, attaches to any property
33 identified in the notice of tax lien which is owned by the
34 organization that received the exemption. If the organization no
35 longer owns property in the county but owns property in another
36 county in the state, the property appraiser shall record in each
37 such county a notice of tax lien identifying the property owned
38 by the organization in each respective county, which shall
39 become a lien against the identified property.

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40 2. Before a lien may be filed, the organization must be
41 given 30 days to pay the taxes and interest.

42 3. If an exemption is improperly granted as a result of a
43 clerical mistake or an omission by the property appraiser, the
44 organization improperly receiving the exemption may not be
45 assessed interest.

46 4. The 5-year limitation specified in this subsection
47 shall be extended by the property appraiser on an annual basis
48 if the organization continues to take affirmative steps to
49 prepare the property for the purposes specified in this section.

50 (b) This subsection does not apply to property being
51 prepared for use as a house of public worship. The term "public
52 worship" means religious worship services and those activities
53 that are incidental to religious worship services, such as
54 educational activities, parking, recreation, partaking of meals,
55 and fellowship.

56 Section 2. Subsections (3), (4), and (5) of section
57 196.196, Florida Statutes, are amended to read:

58 196.196 Determining whether property is entitled to
59 charitable, religious, scientific, or literary exemption.-

60 ~~(3) Property owned by an exempt organization is used for a~~
61 ~~religious purpose if the institution has taken affirmative steps~~
62 ~~to prepare the property for use as a house of public worship.~~
63 ~~The term "affirmative steps" means environmental or land use~~
64 ~~permitting activities, creation of architectural plans or~~
65 ~~schematic drawings, land clearing or site preparation,~~

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66 ~~construction or renovation activities, or other similar~~
67 ~~activities that demonstrate a commitment of the property to a~~
68 ~~religious use as a house of public worship. For purposes of this~~
69 ~~subsection, the term "public worship" means religious worship~~
70 ~~services and those other activities that are incidental to~~
71 ~~religious worship services, such as educational activities,~~
72 ~~parking, recreation, partaking of meals, and fellowship.~~

73 ~~(3)(4)~~ Except as otherwise provided in this section
74 herein, property claimed as exempt for literary, scientific,
75 religious, or charitable purposes which is used for profitmaking
76 purposes is ~~shall be~~ subject to ad valorem taxation. Use of
77 property for functions not requiring a business or occupational
78 license conducted by the organization at its primary residence,
79 the revenue of which is used wholly for exempt purposes, is
80 ~~shall not be~~ considered profitmaking ~~profit making~~. In this
81 connection the playing of bingo on such property is ~~shall not be~~
82 considered a use of ~~as using such property that in such a manner~~
83 ~~as~~ would impair its exempt status.

84 ~~(5)(a)~~ Property owned by an exempt organization qualified
85 as charitable under s. 501(c)(3) of the Internal Revenue Code ~~is~~
86 ~~used for a charitable purpose if the organization has taken~~
87 ~~affirmative steps to prepare the property to provide affordable~~
88 ~~housing to persons or families that meet the extremely low-~~
89 ~~income, very-low-income, low-income, or moderate-income limits,~~
90 ~~as specified in s. 420.0004. The term "affirmative steps" means~~
91 ~~environmental or land use permitting activities, creation of~~

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92 ~~architectural plans or schematic drawings, land clearing or site~~
93 ~~preparation, construction or renovation activities, or other~~
94 ~~similar activities that demonstrate a commitment of the property~~
95 ~~to providing affordable housing.~~

96 ~~(b)1. If property owned by an organization granted an~~
97 ~~exemption under this subsection is transferred for a purpose~~
98 ~~other than directly providing affordable homeownership or rental~~
99 ~~housing to persons or families who meet the extremely-low-~~
100 ~~income, very-low-income, low-income, or moderate-income limits,~~
101 ~~as specified in s. 420.0004, or is not in actual use to provide~~
102 ~~such affordable housing within 5 years after the date the~~
103 ~~organization is granted the exemption, the property appraiser~~
104 ~~making such determination shall serve upon the organization that~~
105 ~~illegally or improperly received the exemption a notice of~~
106 ~~intent to record in the public records of the county a notice of~~
107 ~~tax lien against any property owned by that organization in the~~
108 ~~county, and such property shall be identified in the notice of~~
109 ~~tax lien. The organization owning such property is subject to~~
110 ~~the taxes otherwise due and owing as a result of the failure to~~
111 ~~use the property to provide affordable housing plus 15 percent~~
112 ~~interest per annum and a penalty of 50 percent of the taxes~~
113 ~~owed.~~

114 ~~2. Such lien, when filed, attaches to any property~~
115 ~~identified in the notice of tax lien owned by the organization~~
116 ~~that illegally or improperly received the exemption. If such~~
117 ~~organization no longer owns property in the county but owns~~

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118 ~~property in any other county in the state, the property~~
119 ~~appraiser shall record in each such other county a notice of tax~~
120 ~~lien identifying the property owned by such organization in such~~
121 ~~county which shall become a lien against the identified~~
122 ~~property. Before any such lien may be filed, the organization so~~
123 ~~notified must be given 30 days to pay the taxes, penalties, and~~
124 ~~interest.~~

125 ~~3. If an exemption is improperly granted as a result of a~~
126 ~~clerical mistake or an omission by the property appraiser, the~~
127 ~~organization improperly receiving the exemption shall not be~~
128 ~~assessed a penalty or interest.~~

129 ~~4. The 5-year limitation specified in this subsection may~~
130 ~~be extended if the holder of the exemption continues to take~~
131 ~~affirmative steps to develop the property for the purposes~~
132 ~~specified in this subsection.~~

133 Section 3. Section 196.198, Florida Statutes, is amended
134 to read:

135 196.198 Educational property exemption.—

136 (1) Educational institutions within this state and their
137 property used by them or by any other exempt entity or
138 educational institution exclusively for educational purposes are
139 exempt from taxation.

140 (a) Sheltered workshops providing rehabilitation and
141 retraining of individuals who have disabilities and exempted by
142 a certificate under s. (d) of the federal Fair Labor Standards
143 Act of 1938, as amended, are declared wholly educational in

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144 purpose and are exempt from certification, accreditation, and
145 membership requirements set forth in s. 196.012.

146 (b) Those portions of property of college fraternities and
147 sororities certified by the president of the college or
148 university to the appropriate property appraiser as being
149 essential to the educational process are exempt from ad valorem
150 taxation.

151 (c) The use of property by public fairs and expositions
152 chartered by chapter 616 is presumed to be an educational use of
153 such property and is exempt from ad valorem taxation to the
154 extent of such use.

155 (2) Property used exclusively for educational purposes
156 shall be deemed owned by an educational institution if the
157 entity owning 100 percent of the educational institution is
158 owned by the identical persons who own the property, or if the
159 entity owning 100 percent of the educational institution and the
160 entity owning the property are owned by the identical natural
161 persons.

162 (a) Land, buildings, and other improvements to real
163 property used exclusively for educational purposes shall be
164 deemed owned by an educational institution if the entity owning
165 100 percent of the land is a nonprofit entity and the land is
166 used, under a ground lease or other contractual arrangement, by
167 an educational institution that owns the buildings and other
168 improvements to the real property, is a nonprofit entity under
169 s. 501(c) (3) of the Internal Revenue Code, and provides

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170 education limited to students in prekindergarten through grade
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172 (b) If legal title to property is held by a governmental
173 agency that leases the property to a lessee, the property shall
174 be deemed to be owned by the governmental agency and used
175 exclusively for educational purposes if the governmental agency
176 continues to use such property exclusively for educational
177 purposes pursuant to a sublease or other contractual agreement
178 with that lessee.

179 (c) If the title to land is held by the trustee of an
180 irrevocable inter vivos trust and if the trust grantor owns 100
181 percent of the entity that owns an educational institution that
182 is using the land exclusively for educational purposes, the land
183 is deemed to be property owned by the educational institution
184 for purposes of this exemption. ~~Property owned by an educational~~
185 ~~institution shall be deemed to be used for an educational~~
186 ~~purpose if the institution has taken affirmative steps to~~
187 ~~prepare the property for educational use. The term "affirmative~~
188 ~~steps" means environmental or land use permitting activities,~~
189 ~~creation of architectural plans or schematic drawings, land~~
190 ~~clearing or site preparation, construction or renovation~~
191 ~~activities, or other similar activities that demonstrate~~
192 ~~commitment of the property to an educational use.~~

193 Section 4. This act shall take effect July 1, 2016.

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T I T L E A M E N D M E N T

Remove everything before the enacting clause and insert:

A bill to be entitled

An act relating to property prepared for a tax-exempt use; creating s. 196.1955, F.S.; consolidating and revising provisions relating to obtaining an ad valorem exemption for property owned by an exempt organization, including the requirement that the owner of an exempt organization take affirmative steps to demonstrate an exempt use; requiring the property appraiser to serve a notice of tax lien on exempt property that is not in exempt use after a certain time; providing that the lien attaches to any property owned by the organization identified in the notice of lien; providing that the provisions authorizing the tax lien do not apply to a house of public worship; defining the term "public worship"; amending s. 196.196, F.S.; deleting provisions relating to the exemption as it applies to public worship and affordable housing and provisions incorporated into s. 196.1955, F.S.; amending s. 196.198, F.S.; deleting provisions relating to property owned by an educational institution and used for an educational purpose which are incorporated into s. 196.1955, F.S.; providing an effective date.

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